

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2016**

**Harshwal & Company LLP**  
**Certified Public Accountants**  
**6739 Academy Road NE, Suite 130**  
**Albuquerque NM 87109**  
**(505) 814-1201**

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ESPANOLA PUBLIC SCHOOL DISTRICT  
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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
OFFICIAL ROSTER  
JUNE 30, 2016

<b>Name</b>	<b>Title</b>
<b>Board of Education</b>	
Pablo E. Lujan	President
Lucas Fresquez	Vice President
Annabelle Almager	Secretary
Yolanda M. Salazar	Member
Ruben Archuleta	Member
<b>School Officials</b>	
Ms. Denise L. Johnston	Superintendent
Myrna Garcia	Director of Finance(Interim)

## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

Tim Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Governing Board  
Espanola Public School District  
Espanola, New Mexico

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Espanola Public School District (the "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 also have audited the financial statements of each of the District's nonmajor governmental funds, fiduciary fund, and the budgetary comparisons for the major capital project funds, debt service funds and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 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 misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

### **Opinions**

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

### **Other Matters**

#### *Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis that *Government Accounting Standards* require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by *Government Accounting Standards* Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require Schedule of Proportionate Share of the Net Pension Liability, Contributions and Notes to Required Supplementary Information on pages 263 through 267 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and 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 other schedules required by Section 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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 September 01, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

**Harshwal & Company LLP**  
**Certified Public Accountants**

*Harshwal & Company LLP*

**Albuquerque, New Mexico**  
**September 01, 2017**

## **BASIC FINANCIAL STATEMENTS**

# **GOVERNMENT - WIDE FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

STATEMENT OF NET POSITION  
JUNE 30, 2016

	Governmental activities	Component Unit
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 11,072,013	\$ 137,526
Property taxes receivables	1,462,898	
Due from other governments	2,466,433	
Other receivable	13,342	833
Inventory	77,910	
Total current assets	15,092,596	138,359
Noncurrent assets:		
Capital assets	149,805,228	7,663,538
Less: accumulated depreciation	(79,249,643)	(7,538,506)
Total noncurrent assets	70,555,585	125,032
Total assets	85,648,181	263,391
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Change in proportion		253,644
Change of assumptions	1,543,763	89,293
Employer contributions subsequent to the measurement date	2,705,111	94,412
Total deferred outflows of resources	4,248,874	437,349
<b>LIABILITIES AND NET POSITION</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	284,531	41,793
Accrued compensated absences	63,447	
Accrued payroll liabilities	1,609	24,360
Unearned revenues - other	709,110	
Other liabilities	58,011	
Accrued interest	88,639	
Current portion of long-term debt	2,100,000	
Total current liabilities	3,305,347	66,153
Non current liabilities:		
Net pension liability	44,882,921	2,596,088
Bond due in more than one year	26,450,000	
Accrued compensated absences	224,090	
Total non-current liabilities	71,557,011	2,596,088
Total liabilities	74,862,358	2,662,241
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Change in proportion	1,109,494	
Actuarial experience	832,088	48,129
Investment experience	202,029	11,685
Change in proportion after reallocation of inactive employers	1,193,332	348,672
Total deferred inflows of resources	3,336,943	408,486

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
STATEMENT OF NET POSITION  
JUNE 30, 2016

	<u>Governmental activities</u>	<u>Component Unit</u>
<b>NET POSITION</b>		
Net investment in capital assets	42,005,585	125,032
Restricted for:		
Special revenue	1,012,459	414
Instructional	328,173	6,651
Debt service	3,409,776	
Capital projects	5,851,964	61,931
Unrestricted	<u>(40,910,203)</u>	<u>(2,564,015)</u>
Total net position	<u>11,697,754</u>	<u>(2,369,987)</u>
Total liabilities, deferred inflow of resources and net position	<u>\$ 89,897,055</u>	<u>\$ 700,740</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Functions/Programs	Expenses	Program revenues		Net (expenses) revenues and changes in net position	Component unit
		Charges for service	Operating grants and contributions		
<b>Primary government</b>					
Governmental activities:					
Current:					
Instruction	\$ 22,824,743	\$ 115,983	\$ 5,540,838	\$ (17,167,922)	\$
Support services :					
Students	4,433,258		1,282,314	(3,150,944)	
Instruction	686,457			(686,457)	
General administration	1,318,153			(1,318,153)	
School administration	2,037,351		238,759	(1,798,592)	
Other support services	91,728			(91,728)	
Central services	1,245,770			(1,245,770)	
Operation & maintenance of plant	4,558,813			(4,558,813)	
Student transportation	1,931,614		1,588,424	(343,190)	
Food services operations	2,190,770	44,019	1,645,409	(501,342)	
Interest on long-term debt	821,982			(821,982)	
Total primary government	<u>\$ 42,140,639</u>	<u>\$ 160,002</u>	<u>\$ 10,295,744</u>	<u>(31,684,893)</u>	<u>0</u>
<b>Component unit</b>	<u>\$ 1,504,562</u>	<u>\$ 3,914</u>	<u>\$ 2,880</u>	<u>0</u>	<u>(1,497,768)</u>

**General revenues**

Property taxes:

Levied for general purposes	138,872	
Levied for debt service	1,428,427	
Levied for capital projects	1,980,441	31,762
State equalization guarantee	28,975,876	1,384,057
Unrestricted investment earnings	42,042	
Capital assets transfer in/out	(124,023)	124,023
Miscellaneous	286,879	35,151

Total general revenues	<u>32,728,514</u>	<u>1,574,993</u>
Change in net position	<u>1,043,621</u>	<u>77,225</u>
Net position - beginning of year	11,372,012	(2,447,697)
Restatement of net position	<u>(717,879)</u>	<u>485</u>
Net position- beginning, restated	<u>10,654,133</u>	<u>(2,447,212)</u>
Net position - end of year	<u>\$ 11,697,754</u>	<u>\$ (2,369,987)</u>

The accompanying notes are an integral part of these financial statements

**GOVERNMENTAL FUND FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

	11000 - Operational	13000 - Pupil Transportation	14000 - Total Instructional Materials Subfund
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 646,476	\$	\$ 321,173
Accounts receivable:			
Taxes	86,036		
Dues from other governments			
Interfund receivables	2,550,516	8,028	7,000
Other			
Inventory	64,771	12,439	
Total assets	3,347,799	20,467	328,173
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	122,826		
Accrued payroll liabilities			
Interfund payables			
Unearned revenues- other			
Unearned revenues- taxes	86,036		
Other liabilities			
Total liabilities	208,862	0	0
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories	64,771	12,439	
Restricted for:			
Special revenue funds			
Capital projects funds			
Debt service funds			
Instructional materials			328,173
Unassigned:			
General fund	3,074,166	8,028	
Special revenue funds			
Capital projects funds			
Total fund balance	3,138,937	20,467	328,173
Total liabilities and fund balance	\$ 3,347,799	\$ 20,467	\$ 328,173

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

	<u>24101 - Title I - IASA</u>	<u>31100 - Bond Building</u>	<u>41000 - Debt Services</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$ 4,587,061	\$ 3,093,204
Accounts receivable:			
Taxes			1,008,069
Dues from other governments	1,108,022		
Interfund receivables			
Other	9,492		
Inventory			
Total assets	<u>1,117,514</u>	<u>4,587,061</u>	<u>4,101,273</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable		86,899	
Accrued payroll liabilities	75		
Interfund payables	1,098,127	76,767	62,481
Unearned revenues- other			
Unearned revenues- taxes			1,008,069
Other liabilities	<u>19,312</u>		
Total liabilities	<u>1,117,514</u>	<u>163,666</u>	<u>1,070,550</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue funds			
Capital projects funds		4,423,395	
Debt service funds			3,030,723
Instructional materials			
Unassigned:			
General fund			
Special revenue funds			
Capital projects funds			
Total fund balance	<u>0</u>	<u>4,423,395</u>	<u>3,030,723</u>
Total liabilities and fund balance	<u>\$ 1,117,514</u>	<u>\$ 4,587,061</u>	<u>\$ 4,101,273</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

	<u>Other Governmental Funds</u>	<u>Total Primary Government</u>
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$ 2,424,099	\$ 11,072,013
Accounts receivable:		
Taxes	368,793	1,462,898
Dues from other governments	1,358,411	2,466,433
Interfund receivables	916,211	3,481,755
Other	3,850	13,342
Inventory	<u>700</u>	<u>77,910</u>
Total assets	<u>5,072,064</u>	<u>18,574,351</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	74,806	284,531
Accrued payroll liabilities	1,534	1,609
Interfund payables	2,244,380	3,481,755
Unearned revenues- other	709,110	709,110
Unearned revenues- taxes	368,793	1,462,898
Other liabilities	<u>38,699</u>	<u>58,011</u>
Total liabilities	<u>3,437,322</u>	<u>5,997,914</u>
<b>FUND BALANCES</b>		
Non-spendable:		
Inventories	700	77,910
Restricted for:		
Special revenue funds	1,012,459	1,012,459
Capital projects funds	1,428,569	5,851,964
Debt service funds	379,053	3,409,776
Instructional materials		328,173
Unassigned:		
General fund		3,082,194
Special revenue funds	(696,313)	(696,313)
Capital projects funds	<u>(489,726)</u>	<u>(489,726)</u>
Total fund balance	<u>1,634,742</u>	<u>12,576,437</u>
Total liabilities and fund balance	<u>\$ 5,072,064</u>	<u>\$ 18,574,351</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS TO  
THE STATEMENT OF NET POSITION  
JUNE 30, 2016

	<u>Governmental fund</u>
Amounts reported for governmental activities in the statement of position are different because:	
Fund balances - total governmental funds	\$ 12,576,437
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	70,555,585
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unearned revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,462,898
Deferred outflows and inflows or resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	
Deferred outflows of resources related to pension	4,248,874
Deferred inflows of resources related to pension	(3,336,943)
Certain liabilities, including accrued compensated absences, bonds payable, lease purchase notes and net pension liability, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(287,537)
Accrued interest payable	(88,639)
General obligation bonds	(28,550,000)
Net pension liability	<u>(44,882,921)</u>
Net Position-Total Governmental Activities	<u>\$ 11,697,754</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

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

	11000 - Operational	13000 - Pupil Transportation	14000 - Total Instructional Materials Subfund
<b>REVENUES:</b>			
Property taxes	\$ 107,008	\$	\$
State grants	29,264,918	1,588,424	270,716
Federal grants	1,341,578		
Charges for services	5,641		
Miscellaneous	286,877		
Interest	<u>27,365</u>		
<i>Total revenues</i>	<u>31,033,387</u>	<u>1,588,424</u>	<u>270,716</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	15,915,239		82,174
Support services:			
Student	3,659,386		
Instruction	490,349		
General administration	982,208		
School administration	1,889,621		
Central services	1,088,547		
Operation & maintenance of plant	4,541,585		
Student transportation	100,026	1,575,515	
Other support service	91,728		
Food services operations	438,692		
Capital outlay	653,538		
Debt service:			
Principal			
Interest			
<i>Total expenditures</i>	<u>29,850,919</u>	<u>1,575,515</u>	<u>82,174</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,182,468</u>	<u>12,909</u>	<u>188,542</u>
Net changes in fund balances	1,182,468	12,909	188,542
Fund balances - beginning of year	<u>1,956,469</u>	<u>7,558</u>	<u>139,631</u>
Fund balances- end of year	<u>\$ 3,138,937</u>	<u>\$ 20,467</u>	<u>\$ 328,173</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

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

	<u>24101 - Title I - IASA</u>	<u>31100 - Bond Building</u>	<u>41000 - Debt Services</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$ 2,845,447
State grants			
Federal grants	1,701,544		
Charges for services			
Miscellaneous			
Interest		<u>14,677</u>	
<i>Total revenues</i>	<u>1,701,544</u>	<u>14,677</u>	<u>2,845,447</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	1,409,718		
Support services:			
Student	113,975		
Instruction			
General administration	2,996		24,208
School administration	143,435		
Central services	30,094		
Operation & maintenance of plant	40		
Student transportation			
Other support service			
Food services operations			
Capital outlay	1,286	2,045,982	
Debt service:			
Principal			2,040,000
Interest			<u>806,641</u>
<i>Total expenditures</i>	<u>1,701,544</u>	<u>2,045,982</u>	<u>2,870,849</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>(2,031,305)</u>	<u>(25,402)</u>
Net changes in fund balances	0	(2,031,305)	(25,402)
Fund balances - beginning of year	<u>0</u>	<u>6,454,700</u>	<u>3,056,125</u>
Fund balances- end of year	<u>\$ 0</u>	<u>\$ 4,423,395</u>	<u>\$ 3,030,723</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Other Governmental Funds	Total Primary Government
<b>REVENUES:</b>		
Property taxes	\$ 1,234,471	\$ 4,186,926
State grants	1,213,205	32,337,263
Federal grants	3,870,962	6,914,084
Charges for services	154,360	160,001
Miscellaneous	20,276	307,153
Interest		<u>42,042</u>
<i>Total revenues</i>	<u>6,493,274</u>	<u>43,947,469</u>
<b>EXPENDITURES:</b>		
Current:		
Instruction	2,792,374	20,199,505
Support services:		
Student	648,065	4,421,426
Instruction	192,182	682,531
General administration	329,127	1,338,539
School administration	4,295	2,037,351
Central services	127,129	1,245,770
Operation & maintenance of plant		4,541,625
Student transportation	107,033	1,782,574
Other support service		91,728
Food services operations	1,749,468	2,188,160
Capital outlay	1,103,277	3,804,083
Debt service:		
Principal		2,040,000
Interest	<u>15,341</u>	<u>821,982</u>
<i>Total expenditures</i>	<u>7,068,291</u>	<u>45,195,274</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(575,017)</u>	<u>(1,247,805)</u>
Net changes in fund balances	(575,017)	(1,247,805)
Fund balances - beginning of year	<u>2,209,759</u>	<u>13,824,242</u>
Fund balances- end of year	<u><u>\$ 1,634,742</u></u>	<u><u>\$ 12,576,437</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

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

Governmental  
fund

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

Net change in fund balances - total governmental funds \$ (1,247,805)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Depreciation expense	(3,103,292)
Capital outlays	3,804,083
Capital assets transfer to the Charter School	(124,023)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Change in unearned revenues related to property taxes receivable	(639,185)
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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:

Decrease in accrued compensated absences	23,493
Principal payments on bonds	2,040,000

Governmental funds report District's pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense

Employer contributions subsequent to the measurement date	2,705,111
Employer expense as per actuarial report	(2,413,525)
Add: Difference between prior year deferred outflows associated with 2015 actual employer contributions and the schedule of employer allocations 2015 actual employer contributions	(1,230)
Less: Rounding off difference	<u>(6)</u>

Change in Net Position-total Governmental Activities	<u><u>\$ 1,043,621</u></u>
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**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY  
BASIS) AND ACTUAL**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

OPERATIONAL FUND - 11000

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>REVENUES:</i>				
Property taxes	\$ 103,354	\$ 103,354	\$ 107,008	\$ 3,654
State grants	30,234,252	29,407,165	29,264,918	(142,247)
Federal Grants	139,523	705,994	1,341,578	635,584
Charges of services	26,000	26,000	5,641	(20,359)
Miscellaneous	55,000	55,000	286,879	231,879
Investment Income	<u>21,000</u>	<u>21,000</u>	<u>27,365</u>	<u>6,365</u>
<i>Total revenues</i>	<u>30,579,129</u>	<u>30,318,513</u>	<u>31,033,389</u>	<u>714,876</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	18,812,171	17,305,084	15,935,782	1,369,302
Support services:				
Student	3,801,303	3,901,303	3,659,386	241,917
Instruction	508,978	508,978	490,349	18,629
General administration	736,582	1,075,310	985,302	90,008
School administration	1,824,191	1,924,590	1,889,621	34,969
Central services	1,109,000	1,246,894	1,095,765	151,129
Operation & maintenance of plant	4,808,908	5,436,138	5,202,572	233,566
Student transportation	60,000	110,743	100,026	10,717
Other support service	368,225	368,225	91,728	276,497
Food services operations	<u>421,000</u>	<u>481,000</u>	<u>438,692</u>	<u>42,308</u>
<i>Total expenditures</i>	<u>32,450,358</u>	<u>32,358,265</u>	<u>29,889,223</u>	<u>2,469,042</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,871,229)</u>	<u>(2,039,752)</u>	<u>1,144,166</u>	<u>3,183,918</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	<u>1,871,229</u>	<u>2,039,752</u>	<u>                    </u>	<u>(2,039,752)</u>
<i>Total other financing sources (uses)</i>	<u>1,871,229</u>	<u>2,039,752</u>	<u>                    0</u>	<u>(2,039,752)</u>
<i>Net changes in fund balances</i>	0	0	1,144,166	1,144,166
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>3,145,094</u>	<u>3,145,094</u>
<i>Fund balances - end of year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>4,289,260</u>	<u>\$ 4,289,260</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**

OPERATIONAL FUND - 11000

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

Reconciliation of budgetary basis to GAAP basis	
Excess (Deficiency) of revenues over expenditures-cash basis	1,144,166
Adjustments to revenues	(2)
Adjustments to expenditures	<u>38,304</u>
Excess (Deficiency) of revenues over expenditures-GAAP basis	<u><u>\$ 1,182,468</u></u>

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$	\$ 63,953	\$ 1,588,424	\$ 1,524,471
<i>Total revenues</i>		63,953	1,588,424	1,524,471
<i>EXPENDITURES:</i>				
Current:				
Student transportation	1,524,471	1,588,424	1,587,954	470
<i>Total expenditures</i>	1,524,471	1,588,424	1,587,954	470
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(1,524,471)	(1,524,471)	470	1,524,941
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	1,524,471	1,524,471		(1,524,471)
<i>Total other financing sources (uses)</i>	1,524,471	1,524,471	0	(1,524,471)
<i>Net changes in fund balances</i>	0	0	470	470
<i>Fund balances - beginning of year</i>	0	0	5,055	5,055
<i>Fund balances - end of year</i>	0	0	5,525	5,525
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			470	
Adjustments to revenues			0	
Adjustments to Expenditures			12,439	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 12,909	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TOTAL INSTRUCTIONAL MATERIALS SUBFUND - 14000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 270,716	\$ 270,716
<i>Total revenues</i>	0	0	270,716	270,716
<i>EXPENDITURES:</i>				
Current:				
Instruction	303,000	303,000	82,174	220,826
<i>Total expenditures</i>	303,000	303,000	82,174	220,826
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(303,000)	(303,000)	188,542	491,542
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	303,000	303,000	_____	(303,000)
<i>Total other financing sources (uses)</i>	303,000	303,000	0	(303,000)
<i>Net changes in fund balances</i>	0	0	188,542	188,542
<i>Fund balances - beginning of year</i>	0	0	139,631	139,631
<i>Fund balances - end of year</i>	\$ 0	\$ 0	328,173	\$ 328,173
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			188,542	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 188,542	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TITLE I-IASA - 24101

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ 439,149	\$ 1,601,370	\$ 1,162,221
<i>Total revenues</i>	0	439,149	1,601,370	1,162,221
<i>EXPENDITURES:</i>				
Current:				
Instruction	1,146,545	1,563,901	1,353,832	210,069
Support services:				
Student	145,000	149,487	113,974	35,513
General administration	58,962	76,264	2,996	73,268
School administration	159,000	159,004	144,721	14,283
Central services	31,500	31,500	30,094	1,406
Operation & maintenance of plant	5,500	5,500	39	5,461
<i>Total expenditures</i>	1,546,507	1,985,656	1,645,656	340,000
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(1,546,507)	(1,546,507)	(44,286)	1,502,221
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	1,546,507	1,546,507	_____	(1,546,507)
<i>Total other financing sources (uses)</i>	1,546,507	1,546,507	0	(1,546,507)
<i>Net changes in fund balances</i>	0	0	(44,286)	(44,286)
<i>Fund balances - beginning of year</i>	0	0	(956,596)	(956,596)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(1,000,882)	\$ (1,000,882)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(44,286)	
Adjustments to Revenues			100,174	
Adjustments to Expenditures			(55,888)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
JUNE 30, 2016

	<u>Agency fund</u>
<b>ASSETS</b>	
Cash	\$ <u>493,817</u>
Total assets	<u>493,817</u>
<b>LIABILITIES</b>	
Deposits held in trust for others	<u>493,817</u>
Total Liabilities	<u>\$ <u>493,817</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Espanola Public School District (the “District”) 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 School Board 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 is comprised of five members who are elected for terms of four years. The Board selects a superintendent who administers the District.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of Espanola Public School District’s management, who is responsible for their integrity and objectivity. The financial statements of the Espanola Public School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

During the year ended June 30, 2016, the District adopted the following GASB Statements-

**GASB Statement 72, Fair Value Measurement and Application:**

This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

**GASB Statement 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:**

The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits with regard to providing decision-useful information, supporting assessments of accountability and inter period equity, and creating additional transparency Implementation of this standard did not have a significant impact on the District's financial.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

**GASB Statement 79, Certain External Investment Pools and Pool Participants:**

This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. Implementation of this standard did not have a significant impact on the District's financial.

The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

***A. Financial Reporting entity***

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the District has one component unit and is not a component unit of another government agency.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

**A. Financial Reporting entity - (Continued)**

**Carinos Charter School** - The District's Board of Education approved the Carinos Charter School for operations in accordance with the criteria listed above. The Charter School is deemed to be fiscally dependent upon the District and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The New Mexico State Auditor, through Rule 2 NMAC 2.2, requires the inclusion of this unit in the reporting entity. No separate financial statements have been issued.

**B. Government-wide and fund financial statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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*.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise 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 are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*. Property taxes are recognized as revenues in the year for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

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

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

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

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

- (a) 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.
- (b) The *special revenue funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- (c) 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.
- (d) The *debt service funds* account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB Statement No. 34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

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NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

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

**Major Funds**

- (a) The *Operational Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by district school tax levy, state equalization and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.
- (b) The *Transportation fund* is used to account for the State Equalization, received from the Public Education Department (PED), which is used to pay for the costs associated with transporting school age children. This is considered by PED to be a sub-fund of the General Fund.
- (c) The *Instructional materials fund* is used to account for the monies received from the Public Education Department (PED) for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.
- (d) The *Title I-IASA* major objectives are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.
- (e) The *Bond Building Capital Projects Fund* is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.
- (f) The *Debt Service Fund* is used to account for the accumulation of resources for the payment of General Long-Term Debt principal and interest.

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

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

Additionally, the government reports the following fund types:

**Fiduciary Funds**

- (a) The fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. These funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations Fund.

**Agency Funds**

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

- (a) *School activity funds* - accounts for assets held by the District as an agent for the individual schools and school organization.
- (b) *Clearing agency fund* - accounts for assets held by the District before they are remitted to other entities such as withholdings including pension, retiree health care, and others.
- (c) *Component Unit* - the District has one Charter School, Carinos Charter School, which was established by order of the Secretary of Education in the fiscal year ended June 30, 2006. The Charter School meets the State Auditor's criteria for inclusion as a component unit. The Charter School is presented discretely. The Charter Schools did not have any component units. If it had any component unit similar to fiduciary funds, it would not be incorporated into the government-wide financial statements. The component unit would have been treated as a major fund for financial statement preparation.

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

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.

Private-sector standards of accounting and financial reporting under FASB and AICPA guidance are now included in GASB guidance by GASB 62.

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 and IDEA-B to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from the state resources such as SB-9 and HB-33 funding 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 and other items not properly included among program revenues.



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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

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

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.

Proprietary funds distinguish operating revenues and expenses from the non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the District's enterprise fund is fees. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***D. Assets, Liabilities and Net Position or Equity***

**Cash and investments**

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

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

The District is authorized under the provisions of Chapter 6, Article 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less, and are held by governments other than external investment pools should be measured at amortized cost as provided in paragraph 9 of GASB No. 72. The District's demand deposits and short-term investments with original maturities of three months or less from the date of acquisition are reported at amortized cost per GASB statement No. 72. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations.

**Receivables and payables**

Interfund activity is reported as either loans or services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

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**JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

***D. Assets, Liabilities and Net Position or equity - (Continued)***

Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements. All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Rio Arriba 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 Rio Arriba County Treasurer in July and August, 2015 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, and other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

**Prepaid items**

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

**Instructional materials**

The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the State Board of Education ‘State Adopted Instructional Material’ list, while fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash drawdowns, or transfer to the fifty percent account for requisition of material from the adopted list. The Districts are allowed to carry forward unused textbook credits from year to year.

**Inventory**

Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General and Food Services funds consists of expendable supplies held for consumption and related supplies. The cost is recorded as expenditure at the time individual inventory items are purchased. The reported 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 position.

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**NOTES TO THE 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 property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) 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. Donated capital assets received prior to June 15, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015, are recorded at acquisition value. Information Technology Equipment including software is being capitalized and included in furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9 C (5).

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. Library books 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

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

Buildings and improvements	40 years
Land improvements	20 years
Furniture, fixtures and equipment	3-10 years
Vehicles	10 years

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

**Unearned revenues**

Accounting principles generally accepted in the United States of America require that grant revenue be recognized 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.

**Deferred Inflows/Outflows of Resources**

GASB 63 amended previous guidance on Unearned Revenues in the Government-Wide Financial Statements to include deferred outflow of resources, which is the consumption of net assets by the government that is applicable to a future reporting period and deferred inflow of resources, which is acquisition of nets assets by the government that is applicable to a future reporting period. Uncollected property taxes could not be determined at June 30, 2016.

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**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

**D. Assets, Liabilities and Net Position or equity - (Continued)**

**Compensated absences**

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

**Long-term obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond issuance costs are reflected as a current period expense per GASB 65.

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

**Net Position (or Fund equity)**

Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of which is presented in Note 16.

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, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

*Restricted:* 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. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The restricted component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

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**JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

***D. Assets, Liabilities and Net Position or equity - (Continued)***

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

The Government-wide Statement of Net Position reports \$10,602,372 of restricted net position of which \$5,851,964 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 positions are available.

**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 nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Estimates**

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

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**JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

**E. Revenues**

**State equalization guarantee**

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

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$28,975,876 in state equalization guarantee distributions during the year ended June 30, 2016.

**Tax revenues**

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’ on a modified accrual basis. The District recognized \$4,186,926 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.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. Rio Arriba County collects County, City, and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

**Transportation distribution**

School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$1,588,424 in transportation distributions during the year ended June 30, 2016.

**Instructional materials**

The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$270,716.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

***E. Revenues - (Continued)***

**Public school capital outlay**

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

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

***E. Revenues - (Continued)***

**SB-9 State match**

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

**Public School Capital Outlay**

The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate education program per Section 22- 24-4(B); core administrative function of the public school facilities authority and for project management expense upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

**Federal grants**

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

The District also receives revenues from Federal department which are unrestricted to expenditures for special purposes. These revenues are reported in the Operational fund.

**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.



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JUNE 30, 2016

**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 Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a designated portion of the fund balance.

Actual expenditures may not exceed the budget at the function level. 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.

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

- (1) In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department 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.

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**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (CONTINUED)**

***A. Budgetary information - (continued)***

- (5) The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
- (6) The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
- (7) Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
- (8) Legal budget control for expenditures is by function.
- (9) Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Espanola Public School District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
- (10) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
- (11) Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance.

New Mexico State Law Prohibits a Governmental Agency from exceeding an individual line item.

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2016, is presented.

The District is required to balance its budgets each year. Accordingly, amounts in excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
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JUNE 30, 2016

**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 requirement 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.

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 at supporting schedules 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 \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

**A. Primary Government**

*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 District 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, \$10,988,226 of the District's deposits of \$11,240,752 was exposed to custodial credit risk. As of June 30, 2016, the carrying amount of these deposits was \$8,479,922.

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for 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.

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**NOTE 3. CASH AND TEMPORARY INVESTMENTS - (CONTINUED)**

**A. Primary Government - (Continued)**

	<u>Century Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Total amounts of deposits	\$ 11,238,226	\$ 2,526	\$ 11,240,752
Less:- FDIC coverage	<u>250,000</u>	<u>2,526</u>	<u>252,526</u>
Total uninsured public funds	<u>10,988,226</u>	<u>0</u>	<u>10,988,226</u>
Pledged collateral held by pledging bank's trust department or agent but not in the District's name	<u>(6,774,655)</u>	<u>0</u>	<u>(6,774,655)</u>
Uninsured and uncollateralized	<u>4,213,571</u>	<u>0</u>	<u>4,213,571</u>
Collateral requirement (50% of uninsured public funds)	5,494,113	0	5,494,113
Pledged securities	<u>6,774,655</u>	<u>0</u>	<u>6,774,655</u>
Total under (over) collateralized	<u>\$ (1,280,542)</u>	<u>\$ 0</u>	<u>\$ (1,280,542)</u>

**Reconciliation of Cash and Temporary Investments**

Cash and cash equivalents per Statement of Net Position	\$ 11,072,013
Cash per Statement of Fiduciary Net Position	<u>493,817</u>
Balance per Financial Statements	<u>\$ 11,565,830</u>
Less: temporary investments	(3,085,908)
Add: outstanding checks and other reconciling items	<u>2,760,830</u>
Bank balance of deposits	<u>\$ 11,240,752</u>

**Investments**

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The District had the following temporary investments at June 30, 2016:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less than 1 year</u>
New Mexico State Treasurer (LGIP Fund 4101)	<u>\$ 3,085,908</u>	<u>\$ 3,085,908</u>
Total	<u>\$ 3,085,908</u>	<u>\$ 3,085,908</u>

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

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**NOTE 3. CASH AND TEMPORARY INVESTMENTS - (CONTINUED)**

***A. Primary Government - (Continued)***

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

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

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.

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

The State Treasurer Local Government Investment Pool is not registered with the SEC. Section 6-10-10 1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment funds in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. 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; at the end of each month all interest earned is distributed by the State Treasurer to the length of time the amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distribution dates. The carrying amount or fair market value of these investments approximates cost. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary. The State Treasurer Local Government investment is rated AAAM by Standard and Poor's; its WAM is 50 as of June 30, 2016.

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**NOTE 3. CASH AND TEMPORARY INVESTMENTS - (CONTINUED)**

***B. Component Unit - Carinos Charter School***

	<u>Valley National Bank</u>
Amount of deposits	\$ 172,700
Less: FDIC coverage	<u>172,700</u>
Total uninsured public funds	<u><u>\$ 0</u></u>

***Reconciliation of Cash and Temporary Investments***

Cash and cash equivalents per Component Unit	\$ 137,526
Less: Outstanding checks and other unreconciling items	<u>35,174</u>
Bank balance of cash and temporary investments	<u><u>\$ 172,700</u></u>

**NOTE 4. INVENTORY**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are purchased. The reported 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.

Inventories at June 30, 2016 consisted of the following:

<u>General Fund:</u>	
Operational account	\$ 64,771
Pupil transportation	<u>12,439</u>
	<u><u>77,210</u></u>
<u>Special Revenue Fund:</u>	
Food Services	<u>700</u>
	<u><u>\$ 700</u></u>

**STATE OF NEW MEXICO  
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**NOTE 5. RECEIVABLES**

Receivables as of June 30, 2016, are as follows:

	<u>General Fund</u>	<u>Title I -IASA</u>	<u>Debt Service Fund</u>	<u>Non - Major funds</u>	<u>Total</u>
Property taxes	\$ 86,036	\$	\$ 1,008,069	\$ 368,793	\$ 1,462,898
Intergovernmental - grants		1,108,022		1,358,411	2,466,433
Other		<u>9,492</u>		<u>3,850</u>	<u>13,342</u>
Total receivables	<u>\$ 86,036</u>	<u>\$ 1,117,514</u>	<u>\$ 1,008,069</u>	<u>\$ 1,731,054</u>	<u>\$ 3,942,673</u>

The above receivables are deemed 100% collectible. In accordance with GASB statement # 33, property tax receivables should be presented net of unearned revenues on the governmental fund financial statements.

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The District records temporary interfund receivable and payables to enable the funds to operate until grant monies are received. The composition of interfund balances as of June 30, 2016 is as follows:

<u>Governmental Activities</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General Fund	\$ 2,565,544	\$
Title I - IASA		1,098,127
Bond Building Fund		76,767
Debt Services Fund		62,481
Nonmajor Funds	<u>916,211</u>	<u>2,244,380</u>
Total	<u>\$ 3,481,755</u>	<u>\$ 3,481,755</u>

**Component Unit:**

<u>Governmental Activities</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Operational Fund	\$ 83,595	\$
Entitlement IDEA B		31,830
Title 11-Teacher/Principal Training & Recruiting		6,586
Title I - IASA		13,449
Athletics		8,529
Public School Capital Outlay		19,326
English Language Acquisition		<u>3,875</u>
Total	<u>\$ 83,595</u>	<u>\$ 83,595</u>

All interfund balances are to be paid within one year.

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**NOTE 7. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2015	Adjustments	Addition	Transfers	Transfers to CCS	Deletion	Balance June 30, 2016
Capital Assets not being depreciated:							
Land	\$ 5,028,814	\$	\$	\$	\$ (103,398)	\$	\$ 4,925,416
Construction in progress	<u>12,213,956</u>	<u>          </u>	<u>          </u>	<u>(12,213,956)</u>	<u>          </u>	<u>          </u>	<u>          </u>
Total capital assets, not being depreciated	<u>17,242,770</u>	<u>0</u>	<u>0</u>	<u>(12,213,956)</u>	<u>(103,398)</u>	<u>0</u>	<u>4,925,416</u>
Capital assets being depreciated:							
Land improvements	5,029,235	<u>          </u>	165,548	<u>          </u>	<u>          </u>	(25,649)	5,169,134
Buildings and building improvements	139,334,417	<u>          </u>	3,528,819	12,213,956	(7,536,010)	(12,361,215)	135,179,967
Equipment and vehicles	<u>5,005,744</u>	<u>          </u>	<u>109,716</u>	<u>          </u>	<u>          </u>	<u>(584,749)</u>	<u>4,530,711</u>
Total Capital Assets being depreciated	<u>149,369,396</u>	<u>0</u>	<u>3,804,083</u>	<u>12,213,956</u>	<u>(7,536,010)</u>	<u>(12,971,613)</u>	<u>144,879,812</u>
Less Accumulated Depreciation for:							
Land and land improvements	2,032,070	<u>          </u>	254,183	<u>          </u>	<u>          </u>	(25,649)	2,260,604
Buildings and building improvements	90,370,961	717,879	2,465,972	<u>          </u>	(7,515,385)	(12,361,215)	73,678,212
Equipment and vehicles	<u>3,512,439</u>	<u>          </u>	<u>383,137</u>	<u>          </u>	<u>          </u>	<u>(584,749)</u>	<u>3,310,827</u>
Total accumulated depreciation	<u>95,915,470</u>	<u>717,879</u>	<u>3,103,292</u>	<u>0</u>	<u>(7,515,385)</u>	<u>(12,971,613)</u>	<u>79,249,643</u>
Governmental activities capital assets, net	<u>\$ 70,696,696</u>	<u>\$ (717,879)</u>	<u>\$ 700,791</u>	<u>\$ 0</u>	<u>\$ (124,023)</u>	<u>\$ 0</u>	<u>\$ 70,555,585</u>

**Component Unit:**

	Balance June 30, 2015	Adjustme nt	Transfer from EPSD	Additions	Deletion	Balance June 30, 2016
Capital Assets not being depreciated:						
Land	\$	\$	\$ 103,398	\$	\$	\$ 103,398
Total Capital Assetsnot being depreciated	<u>0</u>	<u>0</u>	<u>103,398</u>	<u>0</u>	<u>0</u>	<u>103,398</u>
Capital assets being depreciated:						
Buildings and building improvements	<u>          </u>	<u>          </u>	7,536,010	<u>          </u>	<u>          </u>	7,536,010
Equipment and vehicles	21,900	9,000	<u>          </u>	<u>          </u>	(6,770)	24,130
Total Capital Assets being depreciated	<u>21,900</u>	<u>9,000</u>	<u>7,536,010</u>	<u>0</u>	<u>(6,770)</u>	<u>7,560,140</u>
Less Accumulated Depreciation for:						
Buildings and building improvements	0	0	(7,515,385)	(752)	0	(7,516,137)
Equipment and vehicles	<u>(18,744)</u>	<u>(8,515)</u>	<u>          </u>	<u>(1,880)</u>	<u>6,770</u>	<u>(22,369)</u>
Total Accumulated depreciation	<u>(18,744)</u>	<u>(8,515)</u>	<u>(7,515,385)</u>	<u>(2,632)</u>	<u>6,770</u>	<u>(7,538,506)</u>
Governmental activities capital assets, net	<u>\$ 3,156</u>	<u>\$ 485</u>	<u>\$ 124,023</u>	<u>\$ (2,632)</u>	<u>\$ 0</u>	<u>\$ 125,032</u>



**STATE OF NEW MEXICO**  
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**NOTE 7. CAPITAL ASSETS - (CONTINUED)**

Espanola Public School District - Depreciation expense for the year ended June 30, 2016 in the amount of \$3,103,292 was charged to the following functions:

Instruction	\$ 2,915,589
Support Services –Students	11,832
Support Services – Instruction	3,926
Support Services – General administration	3,107
Operation & maintenance of plant	17,188
Student transportation	149,040
Food services operation	<u>2,610</u>
	<u>\$ 3,103,292</u>

Component Unit - Depreciation expense for the year ended June 30, 2016 was charged to the following functions:

Instruction	\$ <u>2,632</u>
	<u>\$ 2,632</u>

**STATE OF NEW MEXICO**  
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**NOTE 8. 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 01, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Bonds Payable	\$ 30,590,000	\$	\$ (2,040,000)	\$ 28,550,000	\$ 2,100,000
Compensated Absences	<u>311,030</u>	<u>191,493</u>	<u>(214,986)</u>	<u>287,537</u>	<u>63,447</u>
Total	<u>\$ 30,901,030</u>	<u>\$ 191,493</u>	<u>\$ (2,254,986)</u>	<u>\$ 28,837,537</u>	<u>\$ 2,163,447</u>

General Obligation Bond - The School had general obligation bond series outstanding during the fiscal year ending June 30, 2016.

Series	Maturity Date	Original Amount	Interest Rate	Balance
2004	7/1/2017	5,000,000	3% - 4.5%	\$ 1,075,000
2011A	9/1/2024	9,900,000	3% - 3.25%	9,585,000
2011B	9/1/2017	4,810,000	3% - 3.5%	915,000
2013	3/1/2028	9,800,000	2% - 2.25%	9,260,000
2014	3/1/2028	8,300,000	2.86%	<u>7,715,000</u>
				<u>\$ 28,550,000</u>

The annual requirements to amortize the all Bonds as of June 30, 2016 including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 2,100,000	\$ 741,974	\$ 2,841,974
2018	3,200,000	668,168	3,868,168
2019	2,250,000	592,773	2,842,773
2020	2,310,000	530,001	2,840,001
2021	2,375,000	465,525	2,840,525
2022 - 2026	12,915,000	1,283,774	14,198,774
2027 - 2028	<u>3,400,000</u>	<u>60,020</u>	<u>3,460,020</u>
Totals	<u>\$ 28,550,000</u>	<u>\$ 4,342,235</u>	<u>\$ 32,892,235</u>

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

**STATE OF NEW MEXICO**  
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**NOTE 8. 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 decreased \$23,493 over the prior year accrual. See Note 1 for more details.

Operating Leases – The District leases office equipment under short-term cancelable operating leases. Rental cost for the year ended June 30, 2016 was \$82,323.

**NOTE 9. RISK MANAGEMENT**

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$750,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2016, there have been no claims that have exceeded insurance coverage.

**STATE OF NEW MEXICO  
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**NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

Generally accepted accounting principles require disclosures 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.

Governmental Funds

Nonmajor Funds:

Dual Credit Instructional Materials (27103)	\$ (9,254)
2008 GO Bond Student Library Fund(27105)	(2,074)
2012 Go Bond Student Library SB-66 (27107)	(37,642)
NM Reads to Lead K3 (27114)	(79,520)
Truancy Initiative PED (27141)	(126,204)
Libraries - GO Bonds-Laws of 2004 (27145)	(196)
Pre-K Initiative (27149)	(315,619)
Rural Ed. Bureau-Summer Enrichment Prog.(27165)	(7,238)
2013-2014 Bus Purchase (27178)	(93,554)
NM Grown Fresh Fruit/Veggies (27183)	(245)
Teachers Hard to Staff (27195)	(24,767)
Public School Capital Outlay (31200)	(19,456)
Special Capital Outlay State (31400)	(70,417)
Ed. Tech. Bond- Series Sept. 2007 (31910)	\$ (399,853)

These deficits are expected to be funded by additional grant funds and charges for services, where applicable.

**Component Unit:**

Governmental Funds

Athletics (22000)	\$ (8,491)
Title I - IASA (24101)	(14,810)
Entitlement IDEA-B (24106)	(31,137)
English Language Acquisition (24153)	(3,875)
Title 11 -Teacher/Principal Training & Recruiting (24154)	(6,586)
Public School Capital Outlay (31200)	(19,326)

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**NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES - (CONTINUED)**

(B). Excess of expenditures over appropriations by fund and function. The following fund exceeded approved budgetary authority for the year ended June 30, 2016.

<u>Fund Name</u>	<u>Function Name</u>	<u>Amount</u>
Title II IASA(Math/Science)(24115)	Instruction	\$ (450)
Title 111-English Language Acquisition(24153)	Support services- Student	(94)
Carl D Perkins Spec. Proj. - Current(24174)	Instruction	(1,705)
Capital Improvements SB-9(31700)	Support Services- General Administration	(112)
Debt Service(41000)	Support Services- General Administration	(2,336)
Total Ed. Tech. Debt Service Subfund(43000)	Support Services- General Administration	(560)
Preschool IDEA-B(24109)	Student transportation	\$ (12,193)

**NOTE 11. PENSION PLAN - EDUCATION RETIREMENT BOARD (ERB)**

**Espanola Public School (The District)**

**General Information about the Pension Plan**

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

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at [www.nmerb.org](http://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.

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

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

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

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

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

**Contributions.** The contribution requirements of defined benefit plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 (and thereafter) 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 \$2,705,111 for the year ended June 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, the District reported a liability of \$44,882,921 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. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the District's proportion was 0.69293% percent, which was an decrease of 0.02506% from its proportion measured as of June 30, 2014. For the year ended June 30, 2016, the District recognized pension expense of \$2,413,525. At the 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	\$ 0	\$ 832,088
Changes of assumptions	1,543,763	0
Net difference between projected and actual earnings on pension plan investments	0	202,029
Changes in proportion and differences between District contributions and proportionate share of contributions	0	1,109,494
Changes in proportion after reallocation of inactive employers	0	1,193,332
District contributions subsequent to the measurement date	<u>2,705,111</u>	<u>0</u>
Total	<u>\$ 4,248,874</u>	<u>\$ 3,336,943</u>

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

\$2,705,111 reported as deferred outflows of resources related to pensions resulting from 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, 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:

<u>Year ended June 30:</u>	<u>Amount</u>
2017	\$ (1,103,072)
2018	(1,007,714)
2019	(305,754)
2020	623,381
Rounding off	<u>(21)</u>
Total	<u><u>\$ (1,793,180)</u></u>

**Actuarial assumptions.** As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. 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 and thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on June 12, 2015 in conjunction with the six-year experience study period ending June 30, 2014.
5. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.



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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

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

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

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan’s target asset allocation for 2015 and 2014 for 30-year return assumptions are summarized in the following table:

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

<u>Asset Class</u>	<u>2015 Long-Term Expected Real Rate of Return</u>	<u>2014 Long-Term Expected Real Rate of Return</u>
Cash	3.25 %	1.50 %
Treasuries	3.50	2.00
IG Corp Credit	4.75	3.50
MBS	3.75	2.25
Core Bonds	3.98	2.53
TIPS	4.00	2.50
High Yield Bonds	5.75	4.50
Bank Loans	6.00	5.00
Global Bonds (Unhedged)	2.25	1.25
Global Bonds (Hedged)	2.41	1.38
EMD External	6.00	5.00
EMD Local Currency	6.75	5.75
Large Cap Equities	7.50	6.25
Small/Mid Cap	7.75	6.25
International Equities (Unhedged)	8.00	7.25
International Equities (Hedged)	8.47	7.50
Emerging International Equities	9.25	9.50
Private Equity	9.50	8.75
Private Debt	8.00	8.00
Private Real Assets	7.75	7.75
Real Estate	6.50	6.25
Commodities	5.75	5.00
Hedge Funds Low Vol	6.75	5.50
Hedge Funds Mod Vol	6.75	5.50

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Espanola Public School (Continued)**

**Discount rate:** A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and June 30, 2014. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

**Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.** The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the 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.

<u>ERB Fund Division (A)</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
District's proportionate share of the net pension liability	\$ <u>60,392,969</u>	\$ <u>44,882,921</u>	\$ <u>31,852,867</u>

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

**Payables to the pension plan.** The District doesn't have any amount due to the plan as on June 30, 2016.

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

**General Information about the Pension Plan**

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

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at [www.nmerb.org](http://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.

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

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

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. 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 Charter are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 and thereafter 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 Charter were \$94,412 for the year ended June 30, 2016.

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, the Charter reported a liability of \$2,596,088 for its proportionate share of the net pension liability. The Charter'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. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the Charter's proportion was 0.04008% percent, which was a decrease of 0.00740% from its proportion measured as of June 30, 2014. For the year ended June 30, 2016, the Charter recognized pension expense of \$212,880. At the June 30, 2016, the Charter 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	\$ 0	\$ 48,129
Changes of assumptions	89,293	0
Net difference between projected and actual earnings on pension plan investments	0	11,685
Changes in proportion and differences between Charter contributions and proportionate share of contributions	253,644	0
Changes in proportion after reallocation of inactive employers	0	348,672
Charter contributions subsequent to the measurement date	<u>94,412</u>	<u>0</u>
Total	<u>\$ 437,349</u>	<u>\$ 408,486</u>

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

\$94,412 reported as deferred outflows of resources related to pensions resulting from 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:

<u>Year ended June 30:</u>	<u>Amount</u>
2017	\$ 9,476
2018	(5,294)
2019	(105,796)
2020	36,057
Rounding off	<u>8</u>
Total	<u><u>\$ (65,549)</u></u>

*Actuarial assumptions.* As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. 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 and thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on June 12, 2015 in conjunction with the six-year experience study period ending June 30, 2014.
5. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

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

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

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



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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

<u>Asset Class</u>	<u>2015 Long-Term Expected Real Rate of Return</u>	<u>2014 Long-Term Expected Real Rate of Return</u>
Cash	3.25 %	1.50 %
Treasuries	3.50	2.00
IG Corp Credit	4.75	3.50
MBS	3.75	2.25
Core Bonds	3.98	2.53
TIPS	4.00	2.50
High Yield Bonds	5.75	4.50
Bank Loans	6.00	5.00
Global Bonds (Unhedged)	2.25	1.25
Global Bonds (Hedged)	2.41	1.38
EMD External	6.00	5.00
EMD Local Currency	6.75	5.75
Large Cap Equities	7.50	6.25
Small/Mid Cap	7.75	6.25
International Equities (Unhedged)	8.00	7.25
International Equities (Hedged)	8.47	7.50
Emerging International Equities	9.25	9.50
Private Equity	9.50	8.75
Private Debt	8.00	8.00
Private Real Assets	7.75	7.75
Real Estate	6.50	6.25
Commodities	5.75	5.00
Hedge Funds Low Vol	6.75	5.50
Hedge Funds Mod Vol	6.75	5.50

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**NOTE 11. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (ERB) - (CONTINUED)**

**Carinos Charter School (The Charter)**

**Discount rate:** A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and June 30, 2014. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history. Sensitivity of the Charter's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the Charter'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.

<u>ERB Fund Division (A)</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Charter's proportionate share of the net pension liability	\$ <u>3,493,210</u>	\$ <u>2,596,088</u>	\$ <u>1,842,412</u>

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

**Payables to the pension plan.** The Charter doesn't have any amount due to the plan as on June 30, 2016.

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**NOTE 12. 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 post employment 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](http://www.nmrhca.state.nm.us).

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

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**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN - (CONTINUED)**

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plans 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, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary.

For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 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 District's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$390,062, \$394,998 and \$397,170 respectively, which equal the required contributions for each year.

**NOTE 13. CONTINGENT LIABILITIES**

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

**NOTE 14. SUBSEQUENT EVENTS REVIEW**

- (a) On November 17, 2016, the Secretary of Education suspended the Espanola Public Schools Board of Finance due to multiple issues that were identified during the FY 17 operating budget development and the FY 16 actual revenue and expenditure reporting. The issues included audited cash positions not being reconciled to the general ledger for multiple prior years, information on the general ledger differing from that reported to the PED, a lack of timely submittal for requests for reimbursement for federal funds, numerous instances of improper recording of actual and budgeted expenditures, a lack of responsiveness to PED requests for information and numerous issues in the FY 17 Operating Budget development process, including completing the submittal process nearly two months late, incomplete submittal of budget documentation, and multiple budget submittals.
- (b) On November 17, 2016, conterminally occurring with the Board of Finance suspension, PED required the Superintendent, Eric V. Martinez to conform to, and comply with, a corrective action plan related to the education program and designed to ensure the life, health, and safety of the school district's children. Martinez was contracted with the district up to June 30, 2018, but believing it to be in the best interest and that of the District, Martinez and the Board reached a mutually acceptable agreement on April 13, 2017, for Martinez to voluntarily resign as superintendent, effective June 30, 2017.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 14. SUBSEQUENT EVENTS REVIEW - (CONTINUED)**

- (c) In July 2017, PED's School Budget and Finance Analysis Bureau filed a letter to the Office of the State Auditor (OSA) informing OSA that they believed a potential fraud had been committed against the school district.

The reason for this is that on June 14, 2017, the New Mexico Public Education Department's School Budget and Finance Analysis Bureau received notification from the PED appointed licensed school business official, that the previous business manager, had failed to complete assigned duties of filing Internal Revenue Service withholding payments for three quarters ended September 30, 2016, December 31, 2016, and March 31, 2017. Failure to making these payments on time occurred prior to PED officially taking over the school district's finances in November 2016, as well as during the subsequent takeover. This failure for making the payments on time is attributed to employee turnover in the business office and a lack of oversight by management.

On March 13, 2017, the District was assessed a penalty by the IRS in the amount of \$187,642 for the tax period ended September 30, 2016. This amount consists of \$114,927 for the late filing of a 941 report for the quarter, \$6,048 for a failure to pay the tax, \$60,470 for a failure to make a proper tax deposit, and interest charges of \$6,197. On April 10, 2017, the District was assessed another penalty by the IRS in the amount of \$73,547 for the tax period ended December 31, 2016. This amount was for a failure to make a proper tax deposit. On May 29, 2017, the District was assessed a third penalty by the IRS in the amount of \$23,406 for the tax period ended March 31, 2017. This amount was for a failure to make a proper tax deposit.

On March 20, 2017, the former business manager sent a letter to the IRS requesting that the penalty of \$186,207 be waived. The IRS responded with a letter dated May 19, 2017, stating that the reason given did not establish reasonable cause to waive the penalty.

On April 21, 2017, the former business manager sent a second letter to the IRS requesting that the penalty of \$73,547 be waived, due to a lack of necessary funds. The IRS responded with a letter dated June 28, 2017, stating that the reason given did not establish reasonable cause to waive the penalty.

The failure to make these required payments was estimated to cost the District \$284,594. As of July 3, 2017, the District has made payments in full to the IRS, fulfilling this obligation.

- (d) The New Mexico attorney general is investigating multiple issues related to the District's athletics fund, and possible improper awarding of contracts to certain vendors. The attorney general has also sued the District to compel the district to comply with an open records request for emails. Court documents show that as of January 2017, the attorney general has received less than 1 percent of the requested documents.

**NOTE 15. LAWSUIT**

The District is a defendant in a lawsuit. Although the outcome of this lawsuit is not presently determinable, in the opinion of the District's counsel, the resolution of this matter will not have a material adverse effect on the financial condition of the District.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 16. GOVERNMENTAL FUND BALANCE**

**Fund Balance**

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

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

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

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

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.

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**ESPANOLA PUBLIC SCHOOL DISTRICT**  
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**NOTE 16. GOVERNMENTAL FUND BALANCE - (CONTINUED)**

Detail relating to the fund balance classifications is displayed below:

	Operational Fund	Pupil Transportation Fund	Total Instructional Materials Subfund	Title I - IASA	Bond Building Fund	Debt Services Fund	Other Governmental Funds	Total
Fund Balances								
Nonspendable:								
Inventory	\$ 64,771	\$ 12,439		\$	\$	\$	\$ 700	\$ 77,910
Restricted for:								
Special Revenue							1,012,459	1,012,459
Capital projects					4,423,395		1,428,569	5,851,964
Debt service						3,030,723	379,053	3,409,776
Instructional materials			328,173					328,173
Unassigned:								
General Fund	3,074,166	8,028						3,082,194
Special Revenue Funds							(696,313)	(696,313)
Capital projects Funds							(489,726)	(489,726)
Total fund balances	<u>\$3,138,937</u>	<u>\$ 20,467</u>	<u>\$ 328,173</u>	<u>\$ 0</u>	<u>\$ 4,423,395</u>	<u>\$3,030,723</u>	<u>\$ 1,634,742</u>	<u>\$12,576,437</u>

**Component Unit:**

	Operational Fund	Instructional materials Fund	Special Revenue Funds	Capital Project Funds	Total
Fund Balances					
Restricted for:					
Special Revenue Funds	\$	\$	\$ 414	\$	\$ 414
Capital projects				61,931	61,931
Instructional materials		6,651			6,651
Unassigned:					
General Fund	87,435				87,435
Special Revenue Funds			(64,899)		(64,899)
Capital projects Funds				(19,326)	(19,326)
Total fund balances	<u>\$ 87,435</u>	<u>\$ 6,651</u>	<u>\$ (64,485)</u>	<u>\$ 42,605</u>	<u>\$ 72,206</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 17. RESTATEMENT OF NET POSITION**

(a) During the year ended June 30, 2016, the District reconciled the capital asset inventory listing as a result of which a prior period adjustment was made in the amount of \$(717,879) to the Government-wide financial statements. Accumulated depreciation was adjusted in the amount of \$(717,879) to restate the net positions correctly.

During the year ended June 30, 2016, the Charter School also reconciled the capital asset inventory listing as a result of which a prior period adjustment was made in the amount of \$485 to the Government-wide financial statements. Capital assets and accumulated depreciation were restated in the amounts of \$9,000 and \$8,515 respectively.

(b) During the year ended June 30, 2016, the Charter School determined that changes to the beginning of the year fund balances were necessary due to incorrect non cash basis "Interfund receivables/payable" balances. As a result, prior year financial statements have been restated to show the effects of the change, where necessary. The restatements are as follows:

<u>Fund Name</u>	Fund Balance / Net Position Originally Reported 06/30/2015	Restate Interfund Receivable/ Payable	Fund Balance / Net Position Restated 06/30/2015
Operational Fund - 11000	\$ 217,027	\$ (279,140)	\$ (62,113)
Athletics Fund - 22000	(8,529)	38	(8,491)
Title I - IASA - 24101	(18,909)	18,909	
Entitlement IDEA-B - 24106	(45,289)	39,633	(5,656)
Teacher / Principal Training & Recruiting Fund - 24154	(4,173)	(500)	(4,673)
Title XIX Medicaid 3/21 Years Fund - 25153	44,900	(10,639)	34,261
New Mexico reads to Lead K-3 Reading Initiative Fund - 27114	(12,500)	4,616	(7,884)
Kindergarten - Three Plus - 27166	(55,790)	55,790	
Libraries - SB 301 GO Bonds- Laws of 2006 Fund - 27170	328	(328)	
Public School Capital Outlay Fund - 31200	(117,537)	117,537	
Special Capital Outlay - State Fund - 31400	<u>(54,084)</u>	<u>54,084</u>	
	<u>\$ (54,556)</u>	<u>\$</u>	<u>\$ (54,556)</u>



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 18. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS**

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

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

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

In December 2015, GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans, was issued. The provisions of this Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plans, and is effective for fiscal years beginning after December 15, 2015. The District is still evaluating how this standard will affect the District.

In January 2016, GASB Statement No. 80, Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14, was issued. The provisions of this Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, determining whether certain organizations are component units, and is effective for reporting periods beginning after June 15, 2016. The District is still evaluating how this standard will affect the District.

In March 2016, GASB Statement No. 81, Irrevocable Split-Interest Agreements, was issued. The provisions of this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period, and is effective for reporting periods beginning after December 15, 2016. The District is still evaluating how this standard will affect the District.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 18. SUBSEQUENT ACCOUNTING STANDARD PRONOUNCEMENTS - (CONTINUED)**

In March 2016, GASB Statement No. 82, Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73, was issued. The provisions of this Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions, and is effective for reporting periods after June 15, 2016. The District is still evaluating how this standard will affect the District.

**NOTE 19. SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS**

The Settlement Agreement and Mutual Release of Claims were executed by Carinos Charter School ("CARINOS"), by and through its Governance Council, and by Espanola Public School ("EPS"), by and through its Board of Education.

Following are the major highlights of the agreements:

1. CARIÑOS and anyone else claiming on behalf of or through the CARIÑOS for good and valuable consideration, as described herein, hereby releases EPS, and all of the former and current officials, employees, agents, representatives, attorneys, insurers, successors, and assigns, each in their individual and official capacities from any and all liability regarding all matters raised or which could have been raised on or prior to the date of this Agreement by or on behalf of CARIÑOS relating to the litigation filed in the First Judicial District Court for the State of New Mexico as No. D-117-0/-2014-00157 or in any other proceeding or by any other manner, relating in any way to any and all actions or omissions relating to EPS.
2. EPS and anyone else claiming on behalf of or through EPS for good and valuable consideration, hereby releases CARIÑOS, and all of the former and current officials, employees, agents, representatives, attorneys, insurers, successors, and assigns, each in their individual and official capacities from any and all liability regarding all matters raised or which could have been raised on or prior to the date of this Agreement by or on behalf of EPS in any other proceeding or by any other manner, relating in any way to any and all actions or omissions of CARIÑOS, and from any and all actions, causes of action, rights, suits, judgments, demands, appeals and claims of liability for loss or damages of any kind, in law or equity, administrative or otherwise.
3. CARINOS and EPS agree and acknowledge that the Agreement is in settlement of disputed claims relating to the Lease and that the settlement of such claims shall not be interpreted as an admission of fault, culpability, or wrong doing by CARINOS or EPS and shall never be treated as evidence of liability or responsibility by them.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 19. SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS -  
(CONTINUED)**

4. As consideration for the release granted herein and in consideration of the other terms set forth in the Agreement, the consideration set forth in the paragraph Carinos and EPS agrees as follows:
- a) On or before June 30, 2016, EPS will convey to CARINOS by quitclaim deed in fee simple the real property located at 714 Calle don Diego, Espanola, New Mexico, currently utilized as the EPS Administration building.
  - b) In addition to the property, EPS will transfer ownership of the portable structure located on the Property more particularly described as: a 24 foot by 62 foot portable school building on permanent foundation, beige in color with a metal roof.
  - c) From the date of closing on the transfer on the property until June 30, 2017, EPS shall be entitled to lease the warehouse on the Property for its exclusive use and storage.
  - d) In lieu of the provision of transportation services, food services or custodial services to CARINOS at EPS' expense, EPS agrees to pay to CARINOS the total sum of \$75,000.
  - e) EPS agrees to convey a 1999 International Thomas 71 passenger school bus, certified for activities use, vehicle identification number (VIN)1HVBBAAN2XH662154.
  - f) CARINOS and EPS agree that the playground equipment which had previously been designed by EPS for placement with CARINOS, shall be placed at the location of the property on or after July 1, 2016, but no later than August 1, 2016.
  - g) CARINOS and EPS agree that EPS may continue to utilize, occupy and have ingress and egress to the warehouse located on the Property up to, but no later than, June 30, 2017, and agree that CARINOS and EPS shall execute a simple lease agreement for that period.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 19. SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS -  
(Continued)**

Following is the summary of the fixed assets conveyed by EPS to CCS at Book Value:

<u>S.No.</u>	<u>Assets Description</u>	<u>Book Assets</u> <u>Cost</u>	<u>Accumulated</u> <u>Depreciation.</u>	<u>Net Book</u> <u>Value</u>
1.	Improvement, Design Site	\$ 29,358	\$ 15,635	\$ 13,723
2.	Relocate Playground Equipment From Espanola Middle	7,274	372	6,902
3.	Building, Central Administration/34,341 SF	7,448,203	7,448,203	-
4.	Building Metal, Portable/Sped	51,175	51,175	-
5.	Land, Central Office, Approximately, 3.76 Acres	<u>103,398</u>	<u>-</u>	<u>103,398</u>
	<b>Total</b>	<u>\$ 7,639,408</u>	<u>\$ 7,515,385</u>	<u>\$124,023</u>

During the fiscal year ended, the Charter School recorded these transferred assets from EPS on book value.

## **SUPPLEMENTARY INFORMATION**

**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue	Capital Project	Debt Service	Total
<b>ASSETS</b>				
Current assets:				
Cash and temporary investments	\$ 908,206	\$ 1,136,840	\$ 379,053	\$ 2,424,099
Accounts receivable:				
Taxes		280,730	88,063	368,793
Dues from other governments	1,358,411			1,358,411
Interfund receivables	545,910	370,301		916,211
Other	3,850			3,850
Inventory	700			700
Total assets	2,817,077	1,787,871	467,116	5,072,064
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	20,132	54,674		74,806
Accrued payroll liabilities	1,534			1,534
Interfund payables	1,730,756	513,624		2,244,380
Unearned revenues- property taxes		280,730	88,063	368,793
Unearned revenues - other	709,110			709,110
Other liabilities	38,699			38,699
Total liabilities	2,500,231	849,028	88,063	3,437,322
<b>FUND BALANCES</b>				
Non-spendable:				
Inventories	700			700
Restricted for:				
Special revenue fund	1,012,459			1,012,459
Capital projects fund		1,428,569		1,428,569
Debt service fund			379,053	379,053
Unassigned	(696,313)	(489,726)		(1,186,039)
Total fund balances	316,846	938,843	379,053	1,634,742
Total liabilities and fund balance	\$ 2,817,077	\$ 1,787,871	\$ 467,116	\$ 5,072,064

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Debt Service</u>	<u>Total</u>
<b>REVENUES:</b>				
Property taxes	\$	\$ 929,690	\$ 304,781	\$ 1,234,471
State grants	1,213,205			1,213,205
Federal grants	3,870,962			3,870,962
Charges for services	154,360			154,360
Miscellaneous	<u>19,007</u>	<u>1,269</u>		<u>20,276</u>
<i>Total Revenues</i>	<u>5,257,534</u>	<u>930,959</u>	<u>304,781</u>	<u>6,493,274</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	2,792,374			2,792,374
Support services:				
Student	648,065			648,065
Instruction	192,182			192,182
General administration	4,751	6,936	317,440	329,127
School administration	4,295			4,295
Central services	127,129			127,129
Student transportation	107,033			107,033
Food services operations	1,749,468			1,749,468
Capital outlay	814	1,102,463		1,103,277
Debt service - interest			<u>15,341</u>	<u>15,341</u>
<i>Total expenditures</i>	<u>5,626,111</u>	<u>1,109,399</u>	<u>332,781</u>	<u>7,068,291</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(368,577)</u>	<u>(178,440)</u>	<u>(28,000)</u>	<u>(575,017)</u>
Net changes in fund balances	(368,577)	(178,440)	(28,000)	(575,017)
Fund balances - beginning of year	<u>685,423</u>	<u>1,117,283</u>	<u>407,053</u>	<u>2,209,759</u>
Fund balances - end of year	<u>\$ 316,846</u>	<u>\$ 938,843</u>	<u>\$ 379,053</u>	<u>\$ 1,634,742</u>

The accompanying notes are an integral part of these financial statements



## **SPECIAL REVENUE FUNDS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
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)** – To account for the cost of operating a student food program and is financed with federal grants and fees paid by program users.

**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.

**Activity Transportation (23000)** – to account for budgeted revenues and expenditures which relate to student activities other than athletics.

**EVHS - TV PRODUCTIONS (23780)**- Student Activity Account to promote education on TV Productions at Espanola High School (This activity account is funded mostly by donations and application awards requested by the teacher)

**Entitlement IDEA-B (24106) and ARRA IDEA-B Federal Stimulus (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.

**Discretionary IDEA-B (24107)** – To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by individuals with Disabilities Education Act (IDEA), Part B, Sections 611, as amended, 20 U.S.C. 1411.

**Competitive IDEA-B (24108)** – IDEA B Competitive to provide free appropriate education to children with disabilities.

**Preschool IDEA-B (24109) and ARRA IDEA-B Preschool Federal Stimulus (24209)** – 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**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**SPECIAL REVENUE FUNDS - (CONTINUED)**

**IDEA-B Early Intervention (24112) and IDEA-B Early Intervention Services Federal Stimulus (24212)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

**TITLE II IASA (Math/Science) (24115)** - IDEA grant requires each state to ensure that a free appropriate public education (FAPE) is available to all eligible children with disabilities to provide benefits available to, children with disabilities who are enrolled by their parents in private schools, including religious schools, when the provision of FAPE is not at issue. In IDEA, these children are often referred to as “parentally placed private school children” with disabilities, and the benefits available to them differ from the benefits for children with disabilities in public schools.

**Fresh Fruits & Vegetables (24118)** – To account for a Federal grant to provide a variety of free fresh fruits and vegetables to children to help create a healthier school environment. Funding is authorized by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, signed in November 2005, Public Law 109-97.

**IDEA B Risk Pool (24120)** – 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 the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

**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.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
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**SPECIAL REVENUE FUNDS - (CONTINUED)**

**Rural and Low Income Schools (24160)** – To account for a grant with the purpose of providing financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorized by Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

**Title I School Improvement (24162)** – To account for federal funds to provide family-center education projects to help parents become full partners in the education of their children and to assist children in reaching their full potential as leaders. Authority is Public Law 100-297.

**Emergency Immigrant Funding (24163)** – To account for funds to provide education and opportunity to immigrant students. Funding is competitive based on the quality of the program and significant increase of the number of students being served from previous years.

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

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

**Carl D. Perkins Secondary - Redistribution (24176)** – The redistribution unused portion of Carl D. Perkins funds. The objective is to provide secondary education institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocation and academic learning. The purpose of Perkins is to provide individuals with the academic and technical skills needed to succeed in a knowledge- and skills-based economy. Perkins supports career and technical education that prepares its students both for postsecondary education and the careers of their choice.

**USDA Equipment Asst. Program (24183)** – 2015 Agriculture Appropriations Act to State agencies that will competitively award equipment assistance grants to eligible school food authorities (SFAs) participating in the National School Lunch Program (NSLP). These funds will allow SFAs to purchase equipment to serve healthier meals that meet the updated meal patterns, with emphasis on more fruits and vegetables in school meals, improve food safety, and expand access.

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NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**SPECIAL REVENUE FUNDS - (CONTINUED)**

**Title I Federal Stimulus (24201) and Title I School Improvement Federal Stimulus (24262)**– To provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

**ARRA IDEA-B (24206) -**

**ARRA IDEA-B Preschool (24209) -** The American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5) appropriates significant new funding for programs under Parts B and C of the Individuals with Disabilities Education Act (IDEA). Part B of the IDEA provides funds to state educational agencies (SEAs) and through them to local educational agencies (LEAs) to help them ensure that children with disabilities, including children aged three through five, have access to a free appropriate public education to meet each child's unique needs and prepare each child for further education, employment, and independent living.

**Education of Homeless Federal Stimulus (24213) -** To provide funds for activities for, and services to, homeless children and youth including preschool-age children that enable these children and youth to enroll, attend, and succeed in school. These services provide before or after school tutoring, supplemental instruction and enriched educational activities. All activities may be provided on school grounds or at other facilities including sectarian property.

**Title I - Sch. Improvement Federal Stimulus (24262) -** School Improvement Grants (SIG), authorized under section 1003(g) of Title I of the Elementary and Secondary Education Act of 1965 (Title I or ESEA), are grants, through State Education Agencies (SEA), to Local Educational Agencies (LEA), for use in Title I schools identified for improvement, corrective action, or restructuring. Districts or LEAs must demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of their students so as to enable the schools to make adequate yearly programs (AYP) and exit In Needs of Improvement status. School Improvement Grant funds are to be focused in these areas depending on the capacity of the District.

**Grant to Reduce Alcohol Abuse (25111) -** Grant to reduce alcohol abuse - Includes Project Success specialists and community advocacy to reduce underage drinking along with Student Wellness Action Teams and mental health services.

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**ESPANOLA PUBLIC SCHOOL DISTRICT**  
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JUNE 30, 2016

**SPECIAL REVENUE FUNDS - (CONTINUED)**

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

**Impact Aid – Indian Education (25147)** – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA’s) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a reduced or increased operating costs (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

**Title XIX MEDICAID 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.

**Child and Adult Food Program (25171)** – To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health.

**Indian Education Formula Grant (25184)** – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

**Enlace- UNM (26103)** – The ENLACE Statewide Collaborative focuses on student access and success, family and community engagement, leadership and professional development, and policy development. We provide coaching, mentoring, and tutoring to increase retention and to promote graduation at elementary, middle, and high schools. We are also involved in a variety of student success initiatives to increase retention and to promote graduation in higher education.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**SPECIAL REVENUE FUNDS - (CONTINUED)**

**LANL Foundation (26113)** – Educational enrichment grant received from Los Alamos National Laboratory.

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

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

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

**2010 GO Bond Library Fund (27106)** – To be used to fund each library facility for improvement or acquisition and to acquire library resources to support the library program. Funds generated by GO Bonds may not be used to supplant existing or prior library material funding within school districts receiving these monies.

**2012 GoBond Student Library SB-66 (27107)** –

**NM Reads to Lead K3 (27114 )** - Grants to provide an overarching goal of increasing student achievement in grades K-3 to ensure that all students are proficient in reading before entering fourth grade.

**Teacher/ School Leader Stipends Serving At-Risk (27122)** – Teacher/ School Leader Stipends Serving At-Risk, To provide teacher stipends for teachers moving from A/B to D/F Schools.

**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.

**Libraries GO BONDS Laws of 2004 (27145)** – Funds used to purchase library books and library supplies for all school sites.

**Pre-K Initiative (27149)** –

**Indian Education Act (27150)** – Indian Education Act, The objective of this program is to increase academic achievement and provide culturally relevant experiences for American Indian Students.

**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.

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

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**SPECIAL REVENUE FUNDS - (CONTINUED)**

**AP Expansion (27165)** – To undertake work and activities and pedagogy that target and support the alignment and expansion of Advanced Placement Education to improve student and teacher learning and training.

**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.

**2013-2014 Bus Purchase (27178)** – 2013-2014 Bus Purchase, The objective of this program is Bus replacement for To and From School Transportation for Students.

**NM Grown Fresh Fruit/Veggies (27183)** - Appropriations through the General Appropriations Act to distribute funding to school districts for the purchase of New Mexico Fresh grown fruits and vegetables for school meal programs.

**Next Generation Assessments (27185)** – Next Generation Assessments, Funding technology to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Careers assessment requirements.

**Parent Advocacy Project (27193)** – Appropriation to establish a parent advocacy project to enhance parent support of failing students

**Suicide Prevention (28158)** – This initiative will focus on promoting suicide prevention as a core component to health care services and promoting and implementing effective clinical and professional practices to assess and treat individuals at risk for suicidal behaviors.

**2009 Library Book Fund (27549)** – The intent of these funds were to purchase school library books.

**NM Highway Department (Road) (28120)** – To account for road funds provided by the New Mexico Highway Department.

**Private Direct Grants (29102)** – To account for various private direct grants allocated to the school district.

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



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 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
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	21000 - Food Services	22000 - Athletics	23000 - Activity Transportation
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 494,691	\$ 16,433	\$ 858
Accounts receivable:			
Due from other governments			
Interfund receivables	294,910		
Other			
Inventory	700		
Total assets	790,301	16,433	858
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			
Unearned revenues - other	475,470		
Other liabilities			
Total liabilities	475,470	0	0
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories	700		
Restricted for:			
Special revenue fund	314,131	16,433	858
Unassigned			
Total fund balance	314,831	16,433	858
Total liabilities and fund balance	\$ 790,301	\$ 16,433	\$ 858

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	<u>23780 - EVHS- TV Productions</u>	<u>24106 - Entitlement IDEA-B</u>	<u>24107 - Discretionary IDEA-B</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments		522,202	17,743
Interfund receivables			
Other		936	
Inventory			
Total assets	<u>0</u>	<u>523,138</u>	<u>17,743</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		483,208	17,743
Unearned revenues - other			
Other liabilities		<u>32,906</u>	
Total liabilities	<u>0</u>	<u>516,114</u>	<u>17,743</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund		7,024	
Unassigned			
Total fund balance	<u>0</u>	<u>7,024</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 0</u>	<u>\$ 523,138</u>	<u>\$ 17,743</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	24108 - COMPETITIVE IDEA-B	24109 - Preschool IDEA- B	24112 - IDEA-B Early Intervention
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments	2,213	13,831	
Interfund receivables			8
Other			
Inventory	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>2,213</u>	<u>13,831</u>	<u>8</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities		2	8
Interfund payables	2,213	13,829	
Unearned revenues - other			
Other liabilities	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>2,213</u>	<u>13,831</u>	<u>8</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 2,213</u>	<u>\$ 13,831</u>	<u>\$ 8</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	24115 - TITLE II IASA (Math/Science)	24118 - Fresh Fruit and Vegetable
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$	\$
Accounts receivable:		
Due from other governments		19,671
Interfund receivables	17,866	
Other		
Inventory		
Total assets	17,866	19,671
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		
Accrued payroll liabilities		
Interfund payables		19,671
Unearned revenues - other	17,866	
Other liabilities		
Total liabilities	17,866	19,671
<b>FUND BALANCES</b>		
Non-spendable:		
Inventories		
Restricted for:		
Special revenue fund		
Unassigned		
Total fund balance	0	0
Total liabilities and fund balance	\$ 17,866	\$ 19,671

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	24120 - IDEA-B "Risk Pool"	24153 - Title 111- English Language Acquisition
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$	\$
Accounts receivable:		
Due from other governments	65,915	172,077
Interfund receivables		
Other		
Inventory		
Total assets	65,915	172,077
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		
Accrued payroll liabilities		
Interfund payables	65,915	168,202
Unearned revenues - other		
Other liabilities		3,875
Total liabilities	65,915	172,077
<b>FUND BALANCES</b>		
Non-spendable:		
Inventories		
Restricted for:		
Special revenue fund		
Unassigned		
Total fund balance	0	0
Total liabilities and fund balance	\$ 65,915	\$ 172,077

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
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 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
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	24154 - Title 11- Teacher/Principal Training & Recruiting	24157 - Title IV- Safe & Drug Free Schools & Community
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$	\$
Accounts receivable:		
Due from other governments	218,510	
Interfund receivables		1,841
Other		
Inventory		
Total assets	218,510	1,841
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		
Accrued payroll liabilities		
Interfund payables	216,597	
Unearned revenues - other		1,841
Other liabilities	1,913	
Total liabilities	218,510	1,841
<b>FUND BALANCES</b>		
Non-spendable:		
Inventories		
Restricted for:		
Special revenue fund		
Unassigned		
Total fund balance	0	0
Total liabilities and fund balance	\$ 218,510	\$ 1,841

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	24160 - Rural & Low-Income Schools	24162 - Title I School Improvement	24163 - Immigrant Funding - Title III
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 1	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables	86,623		10,907
Other			
Inventory			
Total assets	86,624	0	10,907
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			10,907
Unearned revenues - other	86,624		
Other liabilities			
Total liabilities	86,624	0	10,907
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned			
Total fund balance	0	0	0
Total liabilities and fund balance	\$ 86,624	\$ 0	\$ 10,907

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
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 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	24167 - Reading First	24174 - Carl D Perkins Spec. Proj. - Current	24176 - Carl D. Perkins Secondary - Redistribution
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments		37,316	
Interfund receivables			869
Other			
Inventory			
Total assets	0	37,316	869
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		37,316	
Unearned revenues - other			869
Other liabilities			
Total liabilities	0	37,316	869
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned			
Total fund balance	0	0	0
Total liabilities and fund balance	\$ 0	\$ 37,316	\$ 869

The accompanying notes are an integral part of these financial statements



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 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	<u>24183 - USDA Equipment Asst. Program</u>	<u>24186 - USHHS/CDC SCHOOL HEALTH</u>	<u>24201 - Title I Federal Stimulus</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments		4,677	
Interfund receivables			44,960
Other			
Inventory			
Total assets	<u>0</u>	<u>4,677</u>	<u>44,960</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		4,677	
Unearned revenues - other			44,960
Other liabilities			
Total liabilities	<u>0</u>	<u>4,677</u>	<u>44,960</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned			
Total fund balance	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 0</u>	<u>\$ 4,677</u>	<u>\$ 44,960</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	<u>24206 - ARRA IDEA-B</u>	<u>24209 - ARRA IDEA-B Preschool</u>	<u>24213 - Education of Homeless Federal Stimulus</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			728
Interfund receivables	4,159	4,400	
Other			
Inventory			
Total assets	<u>4,159</u>	<u>4,400</u>	<u>728</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			728
Unearned revenues - other	4,159	4,400	
Other liabilities			
Total liabilities	<u>4,159</u>	<u>4,400</u>	<u>728</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned			
Total fund balance	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 4,159</u>	<u>\$ 4,400</u>	<u>\$ 728</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	<u>24262 - Title I - Sch. Improvement Federal Stimulus</u>	<u>25111 - Alcohol Abuse Reduction</u>	<u>25145 - Impact Aid SpEd (Title VIII)</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$ 4,064
Accounts receivable:			
Due from other governments		22,358	
Interfund receivables	2,995		
Other			1
Inventory			
Total assets	<u>2,995</u>	<u>22,358</u>	<u>4,065</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			
Unearned revenues - other	2,995		4,065
Other liabilities			
Total liabilities	<u>2,995</u>	<u>0</u>	<u>4,065</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund		22,358	
Unassigned			
Total fund balance	<u>0</u>	<u>22,358</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 2,995</u>	<u>\$ 22,358</u>	<u>\$ 4,065</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	<u>25147 - Impact Aid Indian Education</u>	<u>25153 - Title XIX Medicaid 3/21 Years</u>	<u>25171 - Child and Adult Food Program</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 14,341	\$ 231,231	\$ 44,273
Accounts receivable:			
Due from other governments		254,496	
Interfund receivables	6,675		
Other			572
Inventory			
Total assets	<u>21,016</u>	<u>485,727</u>	<u>44,845</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		6,078	
Unearned revenues - other	21,016		44,845
Other liabilities			
Total liabilities	<u>21,016</u>	<u>6,078</u>	<u>44,845</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund		479,649	
Unassigned			
Total fund balance	<u>0</u>	<u>479,649</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 21,016</u>	<u>\$ 485,727</u>	<u>\$ 44,845</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
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 JUNE 30, 2016

	25184 - Indian Education (Title VII) EASIE Grant	26103 - Enlace- UNM	26113 - LANL Foundation
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$ 642	\$ 7
Accounts receivable:			
Due from other governments	6,674		
Interfund receivables		300	3
Other			
Inventory			
Total assets	6,674	942	10
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables	6,674		
Unearned revenues - other			
Other liabilities			5
Total liabilities	6,674	0	5
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund		942	5
Unassigned			
Total fund balance	0	942	5
Total liabilities and fund balance	\$ 6,674	\$ 942	\$ 10

The accompanying notes are an integral part of these financial statements

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	<u>26123 - PNM Foundation INC</u>	<u>27103 - Dual Credit Instr. Materials</u>	<u>27105 - 2008 GO Bond Student Library Fund (SB333)</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 52	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables			
Other			
Inventory			
Total assets	<u>52</u>	<u>0</u>	<u>0</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		9,254	2,074
Unearned revenues - other			
Other liabilities			
Total liabilities	<u>0</u>	<u>9,254</u>	<u>2,074</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund	52		
Unassigned		(9,254)	(2,074)
Total fund balance	<u>52</u>	<u>(9,254)</u>	<u>(2,074)</u>
Total liabilities and fund balance	<u>\$ 52</u>	<u>\$ 0</u>	<u>\$ 0</u>

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	27106 - 2010 Go Bonds Library Fund	27107 - 2012 GoBond Student Library SB-66	27114 - NM Reads to Lead K3
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables			
Other			
Inventory			
Total assets	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		37,642	79,520
Unearned revenues - other			
Other liabilities			
Total liabilities	<u>                    0</u>	<u>          37,642</u>	<u>          79,520</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned		(37,642)	(79,520)
Total fund balance	<u>                    0</u>	<u>          (37,642)</u>	<u>          (79,520)</u>
Total liabilities and fund balance	<u>\$                    0</u>	<u>\$                    0</u>	<u>\$                    0</u>

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	27122 - Teacher/ School Leader Stipends Serving At-Risk	27138 - Incentives for School IMPR ACT PED	27141 - TRUANCY INITIATIVE PED
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables		10,101	
Other			2,333
Inventory			
Total assets	0	10,101	2,333
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			128,537
Unearned revenues - other			
Other liabilities			
Total liabilities	0	0	128,537
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund		10,101	
Unassigned			(126,204)
Total fund balance	0	10,101	(126,204)
Total liabilities and fund balance	\$ 0	\$ 10,101	\$ 2,333

The accompanying notes are an integral part of these financial statements



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	27145 - Libraries - GO Bonds- Laws of 2004	27149 - Pre-K Initiative	27150 - Indian Education Act
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables			
Other		8	
Inventory			
Total assets	0	8	0
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable		20,132	
Accrued payroll liabilities		1,524	
Interfund payables	196	293,971	
Unearned revenues - other			
Other liabilities			
Total liabilities	196	315,627	0
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned	(196)	(315,619)	0
Total fund balance	(196)	(315,619)	0
Total liabilities and fund balance	\$ 0	\$ 8	\$ 0

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	<u>27154 - Beginning Teacher Mentoring Program</u>	<u>27155 - Breakfast for Elementary Students</u>	<u>27165 - Rural Ed. Bureau- Summer Enrichment Prog.</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables	6,756		
Other			
Inventory			
Total assets	<u>6,756</u>	<u>0</u>	<u>0</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			7,238
Unearned revenues - other			
Other liabilities			
Total liabilities	<u>0</u>	<u>0</u>	<u>7,238</u>
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund	6,756		
Unassigned			(7,238)
Total fund balance	<u>6,756</u>	<u>0</u>	<u>(7,238)</u>
Total liabilities and fund balance	<u>\$ 6,756</u>	<u>\$ 0</u>	<u>\$ 0</u>

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	27166 - Kindergarten - Three Plus	27178 - 2013- 2014 Bus Purchase	27183 - NM Grown Fresh Fruit/Veggies
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables	7,862		
Other			
Inventory			
Total assets	7,862	0	0
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables		93,554	245
Unearned revenues - other			
Other liabilities			
Total liabilities	0	93,554	245
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund	7,862		
Unassigned		(93,554)	(245)
Total fund balance	7,862	(93,554)	(245)
Total liabilities and fund balance	\$ 7,862	\$ 0	\$ 0

The accompanying notes are an integral part of these financial statements

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 JUNE 30, 2016

	27185 - Next Generation Assessments	27193 - Parent Advocacy Project	27195 - Teachers Hard to Staff
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Due from other governments			
Interfund receivables			
Other			
Inventory			
Total assets	0	0	0
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			24,767
Unearned revenues - other			
Other liabilities			
Total liabilities	0	0	24,767
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund			
Unassigned			(24,767)
Total fund balance	0	0	(24,767)
Total liabilities and fund balance	\$ 0	\$ 0	\$ 0

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**STATE OF NEW MEXICO**  
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 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	27549 - GO Library Books	28120 - NM Highway Dept. (Road)	28158 - Suicide Prevention
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$ 3,618
Accounts receivable:			
Due from other governments			
Interfund receivables	12,713		
Other			
Inventory			
Total assets	12,713	0	3,618
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables			
Unearned revenues - other			
Other liabilities			
Total liabilities	0	0	0
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			
Restricted for:			
Special revenue fund	12,713		3,618
Unassigned			
Total fund balance	12,713	0	3,618
Total liabilities and fund balance	\$ 12,713	\$ 0	\$ 3,618

The accompanying notes are an integral part of these financial statements

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 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	29102 - Private DIR Grants (Categorical)	29130 - School Based Health Center-NMHD	Total
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 79,936	\$ 18,060	\$ 908,206
Accounts receivable:			
Due from other governments			1,358,411
Interfund receivables		31,961	545,910
Other			3,850
Inventory			700
	<u>79,936</u>	<u>50,021</u>	<u>2,817,077</u>
Total assets			
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			20,132
Accrued payroll liabilities			1,534
Interfund payables			1,730,756
Unearned revenues - other			709,110
Other liabilities			38,699
	<u>0</u>	<u>0</u>	<u>2,500,231</u>
Total liabilities			
<b>FUND BALANCES</b>			
Non-spendable:			
Inventories			700
Restricted for:			
Special revenue fund	79,936	50,021	1,012,459
Unassigned			(696,313)
	<u>79,936</u>	<u>50,021</u>	<u>316,846</u>
Total fund balance			
Total liabilities and fund balance	<u>\$ 79,936</u>	<u>\$ 50,021</u>	<u>\$ 2,817,077</u>

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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NONMAJOR SPECIAL REVENUE FUNDS  
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	21000 - Food Services	22000 - Athletics	23000 - Activity Transportation
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants	1,533,344		
Charges for services	44,019	110,341	
Miscellaneous		500	
	<u>1,577,363</u>	<u>110,841</u>	<u>0</u>
<i>Total Revenues</i>			
<b>EXPENDITURES:</b>			
Current:			
Instruction		95,963	
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations	1,532,645		
Capital outlay			
	<u>1,532,645</u>	<u>95,963</u>	<u>0</u>
<i>Total expenditures</i>			
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>44,718</u>	<u>14,878</u>	<u>0</u>
Net changes in fund balance	44,718	14,878	0
Fund balances - beginning of the year	<u>270,113</u>	<u>1,555</u>	<u>858</u>
Fund balances - end of the year	<u>\$ 314,831</u>	<u>\$ 16,433</u>	<u>\$ 858</u>

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	23780 - EVHS- TV Productions	24106 - Entitlement IDEA-B	24107 - Discretionary IDEA-B
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants		833,485	
Charges for services			
Miscellaneous			
<i>Total Revenues</i>	0	833,485	0
<b>EXPENDITURES:</b>			
Current:			
Instruction		626,163	
Support services:			
Student		90,583	
Instruction		72,536	
General administration		2,492	
School administration			
Central services		35,689	
Student transportation		6,022	
Food service operations			
Capital outlay			
<i>Total expenditures</i>	0	833,485	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	0
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	0	7,024	0
Fund balances - end of the year	\$ 0	\$ 7,024	\$ 0

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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	24108 - COMPETITIVE IDEA-B	24109 - Preschool IDEA- B	24112 - IDEA-B Early Intervention
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants	2,213	33,055	
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>2,213</u>	<u>33,055</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	2,213	2,007	
Support services:			
Student			
Instruction			
General administration		37	
School administration			
Central services			
Student transportation		31,011	
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>2,213</u>	<u>33,055</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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FOR THE YEAR ENDING JUNE 30, 2016

	<u>24115 - TITLE II IASA (Math/Science)</u>	<u>24118 - Fresh Fruit and Vegetable</u>
<b>REVENUES:</b>		
State and local grants	\$	\$
Federal grants	450	
Charges for services		
Miscellaneous		
<i>Total Revenues</i>	<u>450</u>	<u>0</u>
<b>EXPENDITURES:</b>		
Current:		
Instruction	450	
Support services:		
Student Instruction		
General administration		
School administration		
Central services		
Student transportation		
Food service operations		
Capital outlay		
<i>Total expenditures</i>	<u>450</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>24120 - IDEA-B "Risk Pool"</u>	<u>24153 - Title 111- English Language Acquisition</u>
<b>REVENUES:</b>		
State and local grants	\$	\$
Federal grants	65,915	59,925
Charges for services		
Miscellaneous		
	<u>        </u>	<u>        </u>
<i>Total Revenues</i>	<u>65,915</u>	<u>59,925</u>
<b>EXPENDITURES:</b>		
Current:		
Instruction	9,310	55,862
Support services:		
Student	56,605	94
Instruction		
General administration		94
School administration		
Central services		3,875
Student transportation		
Food service operations		
Capital outlay		
	<u>        </u>	<u>        </u>
<i>Total expenditures</i>	<u>65,915</u>	<u>59,925</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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	24154 - Title 11- Teacher/Principal Training & Recruiting	24157 - Title IV- Safe & Drug Free Schools & Community
<b>REVENUES:</b>		
State and local grants	\$	\$
Federal grants	440,983	
Charges for services		
Miscellaneous		
<i>Total Revenues</i>	440,983	0
<b>EXPENDITURES:</b>		
Current:		
Instruction	432,796	
Support services:		
Student Instruction		
General administration	1,165	
School administration	4,295	
Central services	1,913	
Student transportation		
Food service operations		
Capital outlay	814	
<i>Total expenditures</i>	440,983	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0
Net changes in fund balance	0	0
Fund balances - beginning of the year	0	0
Fund balances - end of the year	\$ 0	\$ 0

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
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FOR THE YEAR ENDING JUNE 30, 2016

	24160 - Rural & Low-Income Schools	24162 - Title I School Improvement	24163 - Immigrant Funding - Title III
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants	55,307		
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>55,307</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	48,289		
Support services:			
Student	6,917		
Instruction			
General administration	101		
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>55,307</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	24167 - Reading First	24174 - Carl D Perkins Spec. Proj. - Current	24176 - Carl D. Perkins Secondary - Redistribution
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants		54,109	13,143
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                  54,109</u>	<u>                  13,143</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction		53,938	12,604
Support services:			
Student		77	
Instruction			
General administration		94	539
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                  54,109</u>	<u>                  13,143</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
Fund balances - end of the year	<u>\$                    0</u>	<u>\$                    0</u>	<u>\$                    0</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	24183 - USDA Equipment Asst. Program	24186 - USHHS/CDC SCHOOL HEALTH	24201 - Title I Federal Stimulus
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants			
Charges for services			
Miscellaneous			
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>24206 - ARRA IDEA-B</u>	<u>24209 - ARRA IDEA-B Preschool</u>	<u>24213 - Education of Homeless Federal Stimulus</u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants			
Charges for services			
Miscellaneous			
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes are an integral part of these financial statements





**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>25147 - Impact Aid Indian Education</u>	<u>25153 - Title XIX Medicaid 3/21 Years</u>	<u>25171 - Child and Adult Food Program</u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants	28,667	582,058	99,580
Charges for services			
Miscellaneous		<u>18,507</u>	
<i>Total Revenues</i>	<u>28,667</u>	<u>600,565</u>	<u>99,580</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction		44,880	
Support services:			
Student		493,789	
Instruction	28,667		
General administration			
School administration			
Central services		61,896	
Student transportation			
Food service operations			99,580
Capital outlay			
<i>Total expenditures</i>	<u>28,667</u>	<u>600,565</u>	<u>99,580</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>479,649</u>	<u>0</u>
Fund balances - end of the year	<u><u>\$ 0</u></u>	<u><u>\$ 479,649</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	25184 - Indian Education (Title VII) EASIE Grant	26103 - Enlace- UNM	26113 - LANL Foundation
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants	53,361		
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>53,361</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction	53,361		
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>53,361</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>0</u>	<u>942</u>	<u>5</u>
Fund balances - end of the year	<u>\$ 0</u>	<u>\$ 942</u>	<u>\$ 5</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>26123 - PNM Foundation INC</u>	<u>27103 - Dual Credit Instr. Materials</u>	<u>27105 - 2008 GO Bond Student Library Fund (SB333)</u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants			
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction		4,999	
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                  4,999</u>	<u>                    0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                  (4,999)</u>	<u>                    0</u>
Net changes in fund balance	0	(4,999)	0
Fund balances - beginning of the year	<u>                  52</u>	<u>                  (4,255)</u>	<u>                  (2,074)</u>
Fund balances - end of the year	<u><u>                  52</u></u>	<u><u>                  (9,254)</u></u>	<u><u>                  (2,074)</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	27106 - 2010 Go Bonds Library Fund	27107 - 2012 GoBond Student Library SB-66	27114 - NM Reads to Lead K3
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$ 28,174
Federal grants			
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                    0</u>	<u>                    28,174</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			107,663
Support services:			
Student			
Instruction		37,618	
General administration			31
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                    37,618</u>	<u>                    107,694</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                   (37,618)</u>	<u>                   (79,520)</u>
Net changes in fund balance	0	(37,618)	(79,520)
Fund balances - beginning of the year	<u>                    0</u>	<u>                   (24)</u>	<u>                    0</u>
Fund balances - end of the year	<u><u>                    0</u></u>	<u><u>                  (37,642)</u></u>	<u><u>                  (79,520)</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	27122 - Teacher/ School Leader Stipends Serving At-Risk	27138 - Incentives for School IMPR ACT PED	27141 - TRUANCY INITIATIVE PED
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$ 117,752
Federal grants			
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                    0</u>	<u>          117,752</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			243,956
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                    0</u>	<u>          243,956</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                    0</u>	<u>          (126,204)</u>
Net changes in fund balance	0	0	(126,204)
Fund balances - beginning of the year	<u>                    0</u>	<u>          10,101</u>	<u>                    0</u>
Fund balances - end of the year	<u><u>                    0</u></u>	<u><u>          10,101</u></u>	<u><u>          (126,204)</u></u>

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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	27145 - Libraries - GO Bonds- Laws of 2004	27149 - Pre-K Initiative	27150 - Indian Education Act
<b>REVENUES:</b>			
State and local grants	\$	\$ 222,555	\$ 2,482
Federal grants			
Charges for services			
Miscellaneous			
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	<u>0</u>	<u>222,555</u>	<u>2,482</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction		444,030	
Support services:			
Student			
Instruction			
General administration		198	
School administration			
Central services			
Student transportation		70,000	
Food service operations			
Capital outlay			
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<u>0</u>	<u>514,228</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>(291,673)</u>	<u>2,482</u>
Net changes in fund balance	0	(291,673)	2,482
Fund balances - beginning of the year	<u>(196)</u>	<u>(23,946)</u>	<u>(2,482)</u>
Fund balances - end of the year	<u><u>\$ (196)</u></u>	<u><u>\$ (315,619)</u></u>	<u><u>\$ 0</u></u>

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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	27154 - Beginning Teacher Mentoring Program	27155 - Breakfast for Elementary Students	27165 - Rural Ed. Bureau- Summer Enrichment Prog.
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
State and local grants	\$	\$ 20,987	\$
Federal grants			
Charges for services			
Miscellaneous			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                  20,987</u>	<u>                    0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations		19,569	
Capital outlay			
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                  19,569</u>	<u>                    0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                  1,418</u>	<u>                    0</u>
Net changes in fund balance	0	1,418	0
Fund balances - beginning of the year	<u>          6,756</u>	<u>          (1,418)</u>	<u>          (7,238)</u>
Fund balances - end of the year	<u>\$          6,756</u>	<u>\$                  0</u>	<u>\$          (7,238)</u>

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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>27166 - Kindergarten - Three Plus</u>	<u>27178 - 2013- 2014 Bus Purchase</u>	<u>27183 - NM Grown Fresh Fruit/Veggies</u>
<b>REVENUES:</b>			
State and local grants	\$ 646,662	\$ 154,289	\$ 12,485
Federal grants			
Charges for services			
Miscellaneous			
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	<u>646,662</u>	<u>154,289</u>	<u>12,485</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	567,117		
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services	23,756		
Student transportation			
Food service operations		93,554	4,120
Capital outlay			
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<u>590,873</u>	<u>93,554</u>	<u>4,120</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>55,789</u>	<u>60,735</u>	<u>8,365</u>
Net changes in fund balance	55,789	60,735	8,365
Fund balances - beginning of the year	<u>(47,927)</u>	<u>(154,289)</u>	<u>(8,610)</u>
Fund balances - end of the year	<u><u>\$ 7,862</u></u>	<u><u>\$ (93,554)</u></u>	<u><u>\$ (245)</u></u>

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**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>27185 - Next Generation Assessments</u>	<u>27193 - Parent Advocacy Project</u>	<u>27195 - Teachers Hard to Staff</u>
<b>REVENUES:</b>			
State and local grants	\$	\$ 7,819	\$
Federal grants			
Charges for services			
Miscellaneous			
	<u>0</u>	<u>7,819</u>	<u>0</u>
<i>Total Revenues</i>			
<b>EXPENDITURES:</b>			
Current:			
Instruction			24,767
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<u>0</u>	<u>0</u>	<u>24,767</u>
<i>Total expenditures</i>			
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>7,819</u>	<u>(24,767)</u>
Net changes in fund balance	0	7,819	(24,767)
Fund balances - beginning of the year	<u>0</u>	<u>(7,819)</u>	<u>0</u>
Fund balances - end of the year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (24,767)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>27549 - GO</u> <u>Library Books</u>	<u>28120 - NM</u> <u>Highway Dept.</u> <u>(Road)</u>	<u>28158 - Suicide</u> <u>Prevention</u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$
Federal grants			
Charges for services			
Miscellaneous			
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Student transportation			
Food service operations			
Capital outlay			
	<hr/>	<hr/>	<hr/>
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	0	0	0
Fund balances - beginning of the year	<u>12,713</u>	<u>0</u>	<u>3,618</u>
Fund balances - end of the year	<u>\$ 12,713</u>	<u>\$ 0</u>	<u>\$ 3,618</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>29102 - Private DIR Grants (Categorical)</u>	<u>29130 - School Based Health Center-NMHD</u>	<u>Total</u>
<b>REVENUES:</b>			
State and local grants	\$	\$	\$ 1,213,205
Federal grants			3,870,962
Charges for services			154,360
Miscellaneous			19,007
	<u>0</u>	<u>0</u>	<u>5,257,534</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction			2,792,374
Support services:			
Student			648,065
Instruction			192,182
General administration			4,751
School administration			4,295
Central services			127,129
Student transportation			107,033
Food service operations			1,749,468
Capital outlay			814
	<u>0</u>	<u>0</u>	<u>5,626,111</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>(368,577)</u>
Net changes in fund balance	0	0	(368,577)
Fund balances - beginning of the year	<u>79,936</u>	<u>50,021</u>	<u>685,423</u>
Fund balances - end of the year	<u>\$ 79,936</u>	<u>\$ 50,021</u>	<u>\$ 316,846</u>

The accompanying notes are an integral part of these financial statements

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY  
BASIS) AND ACTUAL**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

**FOOD SERVICES - 21000**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$	\$	\$ 2,040,144	\$ 2,040,144
Charges of services			44,019	44,019
<i>Total revenues</i>			2,084,163	2,084,163
<i>EXPENDITURES:</i>				
Current:				
Food services operations	2,000,000	2,000,000	1,533,344	466,656
Capital outlay		312	311	1
<i>Total expenditures</i>	2,000,000	2,000,312	1,533,655	466,657
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(2,000,000)	(2,000,312)	550,508	2,550,820
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	2,000,000	2,000,312		(2,000,312)
<i>Total other financing sources (uses)</i>	2,000,000	2,000,312	0	(2,000,312)
<i>Net changes in fund balances</i>	0	0	550,508	550,508
<i>Fund balances - beginning of year</i>	0	0	(202,976)	(202,976)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	347,532	\$ 347,532
Reconciliation of Budgetary Basis to GAAP Basis				
Net change in fund balance-Cash Basis			550,508	
Adjustments to Revenues			(506,800)	
Adjustments to Expenditures			1,010	
Net change in fund balance-GAAP Basis			\$ 44,718	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ATHLETICS - 22000

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Charges for services	\$	\$	\$ 110,341	\$ 110,341
Miscellaneous			500	500
<i>Total revenues</i>			110,841	110,841
<i>EXPENDITURES:</i>				
Current:				
Instruction	100,000	100,000	95,963	4,037
<i>Total expenditures</i>	100,000	100,000	95,963	4,037
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(100,000)	(100,000)	14,878	114,878
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	100,000	100,000		(100,000)
<i>Total other financing sources (uses)</i>	100,000	100,000	0	(100,000)
<i>Net changes in fund balances</i>	0	0	14,878	14,878
<i>Fund balances - beginning of year</i>	0	0	1,554	1,554
<i>Fund balances - end of year</i>	0	0	16,432	\$ 16,432
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			14,878	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 14,878	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ACTIVITY TRANSPORTATION - 23000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	<u>50,000</u>	<u>50,000</u>	<u>          </u>	<u>50,000</u>
<i>Total expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>          0</u>	<u>50,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(50,000)</u>	<u>(50,000)</u>	<u>          0</u>	<u>50,000</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated cash	<u>50,000</u>	<u>50,000</u>	<u>          </u>	<u>(50,000)</u>
<i>Total other financing sources (uses)</i>	<u>50,000</u>	<u>50,000</u>	<u>          0</u>	<u>(50,000)</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>3,558</u>	<u>3,558</u>
<i>Fund balances - end of year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u>3,558</u>	<u><u>\$ 3,558</u></u>
Reconciliation of Budgetary Basis to GAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAP Basis			<u><u>\$ 0</u></u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

EVHS-TV PRODUCTIONS - 23780  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net change in fund balance-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Net change in fund balance-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ENTITLEMENT IDEA-B - 24106

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 607,781	\$ 607,781
<i>Total revenues</i>	0	0	607,781	607,781
<i>EXPENDITURES:</i>				
Current:				
Instruction	549,404	778,742	626,163	152,579
Support services:				
Student	125,240	148,220	90,583	57,637
Instruction	68,216	78,113	72,536	5,577
General administration	32,945	43,905	2,492	41,413
Central services	38,104	38,104	35,689	2,415
Operation & maintenance of plant	7,500	7,500	7,500	7,500
Student transportation	6,180	11,180	6,022	5,158
<i>Total expenditures</i>	827,589	1,105,764	833,485	272,279
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(827,589)	(1,105,764)	(225,704)	880,060
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	827,589	1,105,764	_____	(1,105,764)
<i>Total other financing sources (uses)</i>	827,589	1,105,764	0	(1,105,764)
<i>Net changes in fund balances</i>	0	0	(225,704)	(225,704)
<i>Fund balances - beginning of year</i>	0	0	(208,536)	(208,536)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(434,240)	\$ (434,240)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(225,704)	
Adjustments to Revenues			225,704	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

DISCRETIONARY IDEA-B - 24107

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(17,743)</u>	<u>(17,743)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(17,743)</u></u>	<u><u>(17,743)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

COMPETITIVE IDEA-B - 24108

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 7,208	\$ 7,208
<i>Total revenues</i>	0	0	7,208	7,208
<i>EXPENDITURES:</i>				
Current:				
Instruction	_____	5,610	2,213	3,397
<i>Total expenditures</i>	0	5,610	2,213	3,397
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	(5,610)	4,995	10,605
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	_____	5,610	_____	(5,610)
<i>Total other financing sources (uses)</i>	0	5,610	0	(5,610)
<i>Net changes in fund balances</i>	0	0	4,995	4,995
<i>Fund balances - beginning of year</i>	0	0	(7,208)	(7,208)
<i>Fund balances - end of year</i>	0	0	(2,213)	(2,213)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			4,995	
Adjustments to Revenues			(4,995)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

PRESCHOOL IDEA-B - 24109

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ 11,175	\$ 24,441	\$ 13,266
<i>Total revenues</i>	0	11,175	24,441	13,266
<i>EXPENDITURES:</i>				
Current:				
Instruction	11,793	11,793	2,007	9,786
Support services:				
Student	2,000	2,000		2,000
General administration	945	945	37	908
Student transportation	7,643	18,818	31,011	(12,193)
<i>Total expenditures</i>	22,381	33,556	33,055	501
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(22,381)	(22,381)	(8,614)	13,767
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	22,381	22,381	_____	(22,381)
<i>Total other financing sources (uses)</i>	22,381	22,381	0	(22,381)
<i>Net changes in fund balances</i>	0	0	(8,614)	(8,614)
<i>Fund balances - beginning of year</i>	0	0	(1,132)	(1,132)
<i>Fund balances - end of year</i>	0	0	(9,746)	(9,746)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(8,614)	
Adjustments to Revenues			8,614	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
IDEA-B EARLY INTERVENTION - 24112  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	0	0	0	0
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	0	0
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	0	0	0	0
<i>Fund balances - end of year</i>	\$ 0	\$ 0	0	\$ 0
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
TITLE II IASA (MATH/SCIENCE) - 24115  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 12,665	\$ 12,665
<i>Total revenues</i>	0	0	12,665	12,665
<i>EXPENDITURES:</i>				
Current:				
Instruction			450	(450)
Support services:				
Student	6,770	6,770	_____	6,770
<i>Total expenditures</i>	6,770	6,770	450	6,320
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(6,770)	(6,770)	12,215	18,985
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	6,770	6,770	_____	(6,770)
<i>Total other financing sources (uses)</i>	6,770	6,770	0	(6,770)
<i>Net changes in fund balances</i>	0	0	12,215	12,215
<i>Fund balances - beginning of year</i>	0	0	5,650	5,650
<i>Fund balances - end of year</i>	\$ 0	\$ 0	17,865	\$ 17,865
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			12,215	
Adjustments to Revenues			(12,215)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 FRESH FRUIT AND VEGETABLE - 24118  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 9,199	\$ 9,199
<i>Total revenues</i>	0	0	9,199	9,199
<i>EXPENDITURES:</i>				
Current:				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	9,199	9,199
<i>Net changes in fund balances</i>	0	0	9,199	9,199
<i>Fund balances - beginning of year</i>	0	0	(28,871)	(28,871)
<i>Fund balances - end of year</i>	0	0	(19,672)	(19,672)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			9,199	
Adjustments to Revenues			(9,199)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

IDEA-B "RISK POOL" - 24120

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$ 71,205	\$ 71,205	\$ 57,077	\$ (14,128)
<i>Total revenues</i>	71,205	71,205	57,077	(14,128)
<i>EXPENDITURES:</i>				
Current:				
Instruction	14,600	14,600	9,310	5,290
Support services:				
Student	56,605	56,605	56,605	
<i>Total expenditures</i>	71,205	71,205	65,915	5,290
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(8,838)	(8,838)
<i>OTHER FINANCING SOURCES (USES):</i>				
<i>Net changes in fund balances</i>	0	0	(8,838)	(8,838)
<i>Fund balances - beginning of year</i>	0	0	(57,077)	(57,077)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(65,915)	\$ (65,915)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(8,838)	
Adjustments to Revenues			8,838	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
TITLE 111-ENGLISH LANGUAGE ACQUISITION - 24153  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$	46,513	\$ 88,347	\$ 41,834
<i>Total revenues</i>	<u>\$ 0</u>	<u>\$ 46,513</u>	<u>\$ 88,347</u>	<u>\$ 41,834</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	66,673	111,353	55,862	55,491
Support services:				
Student			94	(94)
General administration	1,443	3,276	94	3,182
Central services	<u>5,498</u>	<u>5,498</u>	<u>3,875</u>	<u>1,623</u>
<i>Total expenditures</i>	<u>73,614</u>	<u>120,127</u>	<u>59,925</u>	<u>60,202</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(73,614)</u>	<u>(73,614)</u>	<u>28,422</u>	<u>102,036</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	<u>73,614</u>	<u>73,614</u>		<u>(73,614)</u>
<i>Total other financing sources (uses)</i>	<u>73,614</u>	<u>73,614</u>	<u>0</u>	<u>(73,614)</u>
<i>Net changes in fund balances</i>	0	0	28,422	28,422
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(200,499)</u>	<u>(200,499)</u>
<i>Fund balances - end of year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>(172,077)</u></u>	<u><u>\$ (172,077)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			28,422	
Adjustments to Revenues			(28,422)	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>\$ 0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TITLE 11-TEACHER/PRINCIPAL TRAINING AND RECRUITING - 24154  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ 498,525	\$ 375,304	\$ (123,221)
<i>Total revenues</i>	_____	498,525	375,304	(123,221)
<i>EXPENDITURES:</i>				
Current:				
Instruction	239,525	692,271	432,796	259,475
Support services:				
General administration	9,924	30,266	1,165	29,101
School administration		25,437	5,109	20,328
Central services	2,420	2,420	1,913	507
<i>Total expenditures</i>	251,869	750,394	440,983	309,411
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(251,869)	(251,869)	(65,679)	186,190
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	251,869	251,869	_____	(251,869)
<i>Total other financing sources (uses)</i>	251,869	251,869	0	(251,869)
<i>Net changes in fund balances</i>	0	0	(65,679)	(65,679)
<i>Fund balances - beginning of year</i>	0	0	(152,827)	(152,827)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(218,506)	\$ (218,506)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(65,679)	
Adjustments to Revenues			65,679	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 TITLE IV-SAFE & DRUG FREE SCHOOLS & COMMUNITY - 24157  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>1,841</u>	<u>1,841</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>1,841</u>	<u><u>1,841</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
RURAL AND LOW-INCOME SCHOOLS - 24160  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 71,380	\$ 71,380
<i>Total revenues</i>	_____	_____	71,380	71,380
<i>EXPENDITURES:</i>				
Current:				
Instruction		48,289	48,289	0
Support services:				
Student	62,799	14,510	6,917	7,593
General administration	2,576	2,576	101	2,475
<i>Total expenditures</i>	65,375	65,375	55,307	10,068
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(65,375)	(65,375)	16,073	81,448
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	65,375	65,375	_____	(65,375)
<i>Total other financing sources (uses)</i>	65,375	65,375	0	(65,375)
<i>Net changes in fund balances</i>	0	0	16,073	16,073
<i>Fund balances - beginning of year</i>	0	0	70,550	70,550
<i>Fund balances - end of year</i>	\$ 0	\$ 0	86,623	\$ 86,623
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			16,073	
Adjustments to Revenues			(16,073)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**TITLE I SCHOOL IMPROVEMENT - 24162**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2016**

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(2,396)</u>	<u>(2,396)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>(2,396)</u>	<u><u>(2,396)</u></u>
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
IMMIGRANT FUNDING-TITLE III - 24163  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(10,907)</u>	<u>(10,907)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(10,907)</u></u>	<u><u>(10,907)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

READING FIRST - 24167

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(20,266)</u>	<u>(20,266)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(20,266)</u></u>	<u><u>(20,266)</u></u>
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
CARL D PERKINS SPECIAL PROJECT-CURRENT - 24174  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 53,264	\$ 53,264
<i>Total revenues</i>	0	0	53,264	53,264
<i>EXPENDITURES:</i>				
Current:				
Instruction	52,233	52,233	53,938	(1,705)
Support services:				
Student	6,000	6,000	77	5,923
General administration	2,388	2,388	94	2,294
<i>Total expenditures</i>	60,621	60,621	54,109	6,512
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(60,621)	(60,621)	(845)	59,776
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	60,621	60,621	_____	(60,621)
<i>Total other financing sources (uses)</i>	60,621	60,621	0	(60,621)
<i>Net changes in fund balances</i>	0	0	(845)	(845)
<i>Fund balances - beginning of year</i>	0	0	(36,471)	(36,471)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(37,316)	\$ (37,316)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(845)	
Adjustments to Revenues			845	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
CARL D PERKINS SECONDARY-REDISTRIBUTION - 24176  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 17,639	\$ 17,639
<i>Total revenues</i>	0	0	17,639	17,639
<i>EXPENDITURES:</i>				
Current:				
Instruction	13,064	13,064	12,604	460
Support services:				
General administration	539	539	539	0
<i>Total expenditures</i>	13,603	13,603	13,143	460
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(13,603)	(13,603)	4,496	18,099
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	13,603	13,603	_____	(13,603)
<i>Total other financing sources (uses)</i>	13,603	13,603	0	(13,603)
<i>Net changes in fund balances</i>	0	0	4,496	4,496
<i>Fund balances - beginning of year</i>	0	0	(3,628)	(3,628)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	868	\$ 868
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			4,496	
Adjustments to Revenues			(4,496)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 USDA EQUIPMENT ASST. PROGRAM - 24183  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	0	0	0	0
<i>EXPENDITURES:</i>				
Current:				
<i>Total expenditures</i>	0	0	-	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	0	0
<i>OTHER FINANCING SOURCES (USES):</i>				
<i>Total other financing sources (uses)</i>	0	0	0	0
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	0	0	0	0
<i>Fund balances - end of year</i>	\$ 0	\$ 0	0	\$ 0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TITLE I FEDERAL STIMULUS - 24201  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ARRA IDEA-B - 24206

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	4,159	4,159
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	4,159	<u><u>4,159</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ARRA IDEA-B PRESCHOOL - 24209  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	4,400	4,400
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>4,400</u>	<u><u>4,400</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
EDUCATION OF HOMELESS FEDERAL STIMULUS - 24213  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(728)</u>	<u>(728)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>(728)</u>	<u><u>(728)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TITLE I - SCHOOL IMPROVEMENT FEDERAL STIMULUS - 24262  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>2,995</u>	<u>2,995</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>2,995</u>	<u><u>2,995</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
ALCOHOL ABUSE REDUCTION - 25111  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
IMPACT AID SPECIAL EDUCATION (Title VIII) - 25145  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 18,637	\$ 18,637
<i>Total revenues</i>	0	0	18,637	18,637
<i>EXPENDITURES:</i>				
Current:				
Instruction	17,955	17,955	15,367	2,588
<i>Total expenditures</i>	17,955	17,955	15,367	2,588
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(17,955)	(17,955)	3,270	21,225
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	17,955	17,955	_____	(17,955)
<i>Total other financing sources (uses)</i>	17,955	17,955	0	(17,955)
<i>Net changes in fund balances</i>	0	0	3,270	3,270
<i>Fund balances - beginning of year</i>	0	0	798	798
<i>Fund balances - end of year</i>	0	0	4,068	\$ 4,068
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			3,270	
Adjustments to Revenues			(3,270)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
IMPACT AID INDIAN EDUCATION - 25147  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$	\$	49,683	\$ 49,683
<i>Total revenues</i>	0	0	49,683	49,683
<i>EXPENDITURES:</i>				
Current:				
Support services:				
Instruction	28,667	35,834	28,667	7,167
<i>Total expenditures</i>	28,667	35,834	28,667	7,167
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(28,667)	(35,834)	21,016	56,850
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	28,667	35,834		(35,834)
<i>Total other financing sources (uses)</i>	28,667	35,834	0	(35,834)
<i>Net changes in fund balances</i>	0	0	21,016	21,016
<i>Fund balances - beginning of year</i>	0	0	(2)	(2)
<i>Fund balances - end of year</i>	0	0	21,014	\$ 21,014
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			21,016	
Adjustments to Revenues			(21,016)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
TITLE XIX MEDICAID 3/21 YEARS - 25153  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$	\$	513,415	513,415
Miscellaneous			18,507	18,507
<i>Total revenues</i>	0	0	531,922	531,922
<i>EXPENDITURES:</i>				
Current:				
Instruction	167,000	258,025	44,879	213,146
Support services:				
Student	566,086	566,086	493,789	72,297
Central services	66,914	66,914	61,896	5,018
<i>Total expenditures</i>	800,000	891,025	600,564	290,461
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(800,000)	(891,025)	(68,642)	822,383
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	800,000	891,025		(891,025)
<i>Total other financing sources (uses)</i>	800,000	891,025	0	(891,025)
<i>Net changes in fund balances</i>	0	0	(68,642)	(68,642)
<i>Fund balances - beginning of year</i>	0	0	293,796	293,796
<i>Fund balances - end of year</i>	\$ 0	\$ 0	225,154	\$ 225,154
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(68,642)	
Adjustments to Revenues			68,643	
Adjustments to Expenditures			(1)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
CHILD AND ADULT FOOD PROGRAM - 25171  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>REVENUES:</i>				
Federal grants	\$ <u>          </u>	\$ <u>          </u>	\$ <u>143,852</u>	\$ <u>143,852</u>
<i>Total revenues</i>	<u>          0</u>	<u>          0</u>	<u>143,852</u>	<u>143,852</u>
<i>EXPENDITURES:</i>				
Current:				
Food Services Operations	<u>          </u>	<u>143,852</u>	<u>99,580</u>	<u>44,272</u>
<i>Total expenditures</i>	<u>          0</u>	<u>143,852</u>	<u>99,580</u>	<u>44,272</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>          0</u>	<u>(143,852)</u>	<u>44,272</u>	<u>188,124</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	<u>          </u>	<u>143,852</u>	<u>          </u>	<u>(143,852)</u>
<i>Total other financing sources (uses)</i>	<u>          0</u>	<u>143,852</u>	<u>          0</u>	<u>(143,852)</u>
<i>Net changes in fund balances</i>	<u>          0</u>	<u>          0</u>	<u>44,272</u>	<u>44,272</u>
<i>Fund balances - beginning of year</i>	<u>          0</u>	<u>          0</u>	<u>573</u>	<u>573</u>
<i>Fund balances - end of year</i>	<u>\$          0</u>	<u>\$          0</u>	<u>44,845</u>	<u>\$ 44,845</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			44,272	
Adjustments to Revenues			(44,272)	
Adjustments to Expenditures			<u>          0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$          0</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
INDIAN EDUCATION (TITLE VII) EASIE GRANT - 25184  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ 46,685	\$ 46,685
<i>Total revenues</i>	0	0	46,685	46,685
<i>EXPENDITURES:</i>				
Current:				
Instruction	5,000			0
Support services:				
Instruction	39,918	54,040	53,361	679
<i>Total expenditures</i>	44,918	54,040	53,361	679
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(44,918)	(54,040)	(6,676)	47,364
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	44,918	54,040	_____	(54,040)
<i>Total other financing sources (uses)</i>	44,918	54,040	0	(54,040)
<i>Net changes in fund balances</i>	0	0	(6,676)	(6,676)
<i>Fund balances - beginning of year</i>	0	0	3	3
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(6,673)	\$ (6,673)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(6,676)	
Adjustments to Revenues			6,676	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

ENLACE UNM - 26103

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(1,358)</u>	<u>(1,358)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(1,358)</u></u>	<u><u>(1,358)</u></u>
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

LANL FOUNDATION - 26113

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$	\$	\$ 484,307	\$ 484,307
Charges for services			73,772	73,772
Miscellaneous		484,307		(484,307)
<i>Total revenues</i>		0	558,079	73,772
<i>EXPENDITURES:</i>				
Current:				
Instruction		212,072	212,058	14
Support Services:				
Student		142,021	124,100	17,921
General Administration		202,440	199,876	2,564
Central Services		1,546	1,545	1
<i>Total expenditures</i>		558,079	537,579	20,500
<i>Excess (deficiency) of revenues over (under) expenditures</i>		0	20,500	94,272
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash		73,772		(73,772)
<i>Total other financing sources (uses)</i>		73,772	0	(73,772)
<i>Net changes in fund balances</i>		0	20,500	20,500
<i>Fund balances - beginning of year</i>		0	(20,495)	(20,495)
<i>Fund balances - end of year</i>	\$	0	5	\$ 5
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			20,500	
Adjustments to Revenues			(558,079)	
Adjustments to Expenditures			537,579	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

PNM FOUNDATION INC - 26123

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>52</u>	<u>52</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>52</u>	<u><u>52</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
DUAL CREDIT INSTRUCTIONAL MATERIALS - 27103  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$	\$ 4,999	\$	\$ (4,999)
<i>Total revenues</i>	0	4,999	0	(4,999)
<i>EXPENDITURES:</i>				
Current:				
Instruction		4,999	4,999	
<i>Total expenditures</i>	0	4,999	4,999	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(4,999)	(4,999)
<i>OTHER FINANCING SOURCES (USES):</i>				
<i>Total other financing sources (uses)</i>	0	0	0	0
<i>Net changes in fund balances</i>	0	0	(4,999)	(4,999)
<i>Fund balances - beginning of year</i>	0	0	(4,255)	(4,255)
<i>Fund balances - end of year</i>	0	0	(9,254)	(9,254)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(4,999)	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			(4,999)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

2008 GO BOND STUDENT LIBRARY FUND (SB333) - 27105  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(2,074)</u>	<u>(2,074)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(2,074)</u></u>	<u><u>(2,074)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
2010 GO BONDS LIBRARY FUND - 27106  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

2012 GO BOND STUDENT LIBRARY SB-66 - 27107  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>EXPENDITURES:</i>				
Instruction	<u>57,831</u>	<u>57,831</u>	<u>37,618</u>	<u>20,213</u>
<i>Total expenditures</i>	<u>57,831</u>	<u>57,831</u>	<u>37,618</u>	<u>20,213</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(57,831)</u>	<u>(57,831)</u>	<u>(37,618)</u>	<u>20,213</u>
<i>Net changes in fund balances</i>	0	0	(37,618)	(37,618)
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(44,376)</u>	<u>(44,376)</u>
<i>Fund balances - end of year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(81,994)</u>	<u>\$ (81,994)</u>
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(37,618)	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (37,618)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

NEW MEXICO READS TO LEAD K-3 READING INITIATIVE - 27114  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 28,174	\$ 28,174
<i>Total revenues</i>	0	0	28,174	28,174
<i>EXPENDITURES:</i>				
Current:				
Instruction	129,215	129,215	107,663	21,552
General Administration	785	785	31	754
<i>Total expenditures</i>	130,000	130,000	107,694	22,306
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(130,000)	(130,000)	(79,520)	50,480
Designated Cash	130,000	130,000		(130,000)
<i>Total other financing sources (uses)</i>	130,000	130,000	0	(130,000)
<i>Net changes in fund balances</i>	0	0	(79,520)	(79,520)
<i>Fund balances - beginning of year</i>	0	0	0	0
<i>Fund balances - end of year</i>	0	0	(79,520)	(79,520)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(79,520)	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			(79,520)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TEACHER/SCHOOL LEADER STIPENDS SERVING AT-RISK - 27122  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 5,000	\$ 5,000
<i>Total revenues</i>	0	0	5,000	5,000
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	5,000	5,000
<i>Net changes in fund balances</i>	0	0	5,000	5,000
<i>Fund balances - beginning of year</i>	0	0	(5,000)	(5,000)
<i>Fund balances - end of year</i>	0	0	0	0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			5,000	
Adjustments to Revenues			(5,000)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 INCENTIVES FOR SCHOOL IMPR ACT PED - 27138  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>10,101</u>	<u>10,101</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>10,101</u></u>	<u><u>10,101</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TRUANCY INITIATIVE PED -27141  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ _____	\$ 300,000	\$ 117,752	\$ (182,248)
<i>Total revenues</i>	<u>\$ 0</u>	<u>\$ 300,000</u>	<u>\$ 117,752</u>	<u>\$ (182,248)</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	_____	300,000	243,956	56,044
<i>Total expenditures</i>	<u>0</u>	<u>300,000</u>	<u>243,956</u>	<u>56,044</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>(126,204)</u>	<u>(126,204)</u>
<i>Net changes in fund balances</i>	0	0	(126,204)	(126,204)
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u>(126,204)</u>	<u><u>\$ (126,204)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(126,204)	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>\$ (126,204)</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
LIBRARIES - GO BONDS- LAWS OF 2004 -27145  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(196)</u>	<u>(196)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>(196)</u>	<u><u>(196)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

PRE-K INITIATIVE - 27149

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ 582,992	\$ 518,868	\$ 222,555	\$ (296,313)
<i>Total revenues</i>	582,992	518,868	222,555	(296,313)
<i>EXPENDITURES:</i>				
Current:				
Instruction	507,992	443,868	423,899	19,969
General Administration	5,000	5,000	197	4,803
Student Transportation	70,000	70,000	70,000	0
<i>Total expenditures</i>	582,992	518,868	494,096	24,772
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(271,541)	(271,541)
<i>Net changes in fund balances</i>	0	0	(271,541)	(271,541)
<i>Fund balances - beginning of year</i>	0	0	(23,946)	(23,946)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(295,487)	\$ (295,487)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(271,541)	
Adjustments to Revenues			0	
Adjustments to Expenditures			(20,132)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (291,673)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

INDIAN EDUCATION ACT - 27150  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 2,482	\$ 2,482
<i>Total revenues</i>	0	0	2,482	2,482
<i>EXPENDITURES:</i>				
Current:				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	2,482	2,482
<i>OTHER FINANCING SOURCES (USES):</i>				
<i>Total other financing sources (uses)</i>	0	0	0	0
<i>Net changes in fund balances</i>	0	0	2,482	2,482
<i>Fund balances - beginning of year</i>	0	0	(2,482)	(2,482)
<i>Fund balances - end of year</i>	0	0	0	0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			2,482	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 2,482	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 BEGINNING TEACHER MENTORING PROGRAM - 27154  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>6,757</u>	<u>6,757</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>6,757</u></u>	<u><u>6,757</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
BREAKFAST FOR ELEMENTARY STUDENTS - 27155  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 20,987	\$ 20,987
<i>Total revenues</i>	0	0	20,987	20,987
<i>EXPENDITURES:</i>				
Current:				
Food Services Operations	_____	59,552	19,568	39,984
<i>Total expenditures</i>	0	59,552	19,568	39,984
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	(59,552)	1,419	60,971
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	_____	59,552	_____	(59,552)
<i>Total other financing sources (uses)</i>	0	59,552	0	(59,552)
<i>Net changes in fund balances</i>	0	0	1,419	1,419
<i>Fund balances - beginning of year</i>	0	0	(1,418)	(1,418)
<i>Fund balances - end of year</i>	0	0	1	1
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			1,419	
Adjustments to Revenues			0	
Adjustments to Expenditures			(1)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 1,418	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

RURAL ED. BUREAU-SUMMER ENRICHMENT PROGRAM - 27165  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(7,238)</u>	<u>(7,238)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(7,238)</u></u>	<u><u>(7,238)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 KINDERGARTEN-THREE PLUS - 27166  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$	\$ (5,642)	\$ 646,662	\$ 652,304
<i>Total revenues</i>	0	(5,642)	646,662	652,304
<i>EXPENDITURES:</i>				
Current:				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	(5,642)	646,662	652,304
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash		5,642		(5,642)
<i>Total other financing sources (uses)</i>	0	5,642	0	(5,642)
<i>Net changes in fund balances</i>	0	0	646,662	646,662
<i>Fund balances - beginning of year</i>	0	0	(68,084)	(68,084)
<i>Fund balances - end of year</i>	0	0	578,578	\$ 578,578
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			646,662	
Adjustments to Revenues			0	
Adjustments to Expenditures			(590,873)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 55,789	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

2013-2014 BUS PURCHASE - 27178

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 154,289	\$ 154,289
<i>Total revenues</i>	0	0	154,289	154,289
<i>EXPENDITURES:</i>				
Student transportation	_____	93,554	93,554	_____
<i>Total expenditures</i>	0	93,554	93,554	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	(93,554)	60,735	154,289
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	_____	93,554	_____	(93,554)
<i>Total other financing sources (uses)</i>	0	93,554	0	(93,554)
<i>Net changes in fund balances</i>	0	0	60,735	60,735
<i>Fund balances - beginning of year</i>	0	0	(154,289)	(154,289)
<i>Fund balances - end of year</i>	0	0	(93,554)	(93,554)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			60,735	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 60,735	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 NM GROWN FRESH FRUIT/VEGGIES - 27183  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$	\$	12,485	12,485
<i>Total revenues</i>	0	0	12,485	12,485
<i>EXPENDITURES:</i>				
Current:				
Food services operations	4,169	4,169	4,120	49
<i>Total expenditures</i>	4,169	4,169	4,120	49
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(4,169)	(4,169)	8,365	12,534
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	4,169	4,169		(4,169)
<i>Total other financing sources (uses)</i>	4,169	4,169	0	(4,169)
<i>Net changes in fund balances</i>	0	0	8,365	8,365
<i>Fund balances - beginning of year</i>	0	0	(8,610)	(8,610)
<i>Fund balances - end of year</i>	0	0	(245)	(245)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			8,365	
Adjustments to Revenues			0	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 8,365	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NEXT GENERATION ASSESSMENTS - 27185  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ <u>32,252</u>	\$ <u>32,252</u>
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>32,252</u>	<u>32,252</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>32,252</u>	<u>32,252</u>
<i>Net changes in fund balances</i>	0	0	32,252	32,252
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(32,252)</u>	<u>(32,252)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			32,252	
Adjustments to Revenues			(32,252)	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
PARENT ADVOCACY PROJECT - 27193  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants			7,819	7,819
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>7,819</u>	\$ <u>7,819</u>
<i>EXPENDITURES:</i>				
Current:				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>7,819</u>	<u>7,819</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash				
<i>Total other financing sources (uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	7,819	7,819
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(7,819)</u>	<u>(7,819)</u>
<i>Fund balances - end of year</i>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	<u>0</u>	\$ <u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			7,819	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>7,819</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

TEACHERS HARD TO STAFF -27195  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	<u>          </u>	<u>33,412</u>	<u>24,767</u>	<u>8,645</u>
<i>Total expenditures</i>	<u>0</u>	<u>33,412</u>	<u>24,767</u>	<u>8,645</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>(33,412)</u>	<u>(24,767)</u>	<u>8,645</u>
<i>Net changes in fund balances</i>	0	(33,412)	(24,767)	8,645
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u>\$ 0</u>	<u>\$ (33,412)</u>	<u>(24,767)</u>	<u>\$ 8,645</u>
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(24,767)	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (24,767)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

GO LIBRARY BOOKS - 27549

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>12,713</u>	<u>12,713</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>12,713</u>	<u><u>12,713</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 NM HIGHWAY DEPARTMENT (ROAD) - 28120  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 3,348	\$ 3,348
<i>Total revenues</i>	0	0	3,348	3,348
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	3,348	3,348
<i>Net changes in fund balances</i>	0	0	3,348	3,348
<i>Fund balances - beginning of year</i>	0	0	(3,348)	(3,348)
<i>Fund balances - end of year</i>	0	0	0	0
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			3,348	
Adjustments to Revenues			(3,348)	
Adjustments to Expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			0	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

SUICIDE PREVENTION - 28158

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>3,618</u>	<u>3,618</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>3,618</u>	<u><u>3,618</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
PRIVATE DIR GRANTS (CATEGORICAL) - 29102  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>79,936</u>	<u>79,936</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>79,936</u></u>	<u><u>79,936</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHOOL BASED HEALTH CENTER-NMHD - 29130  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>50,021</u>	<u>50,021</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>50,021</u></u>	<u><u>50,021</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

## **CAPITAL PROJECT FUNDS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**CAPITAL PROJECTS FUNDS**

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

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

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

**Special Capital Outlay – State (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading the Espanola Public School District's facilities.

**Capital Improvement 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).

**Educational Technology Equipment Act (31900)** – To account for purchases of computer equipment and computer software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the Fiscal Year 1996, Public Law 104-106.

**Educational Technology Bond-Series Sept. 2007 (31910)** – 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.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECT FUNDS  
 JUNE 30, 2016

	31200 - Public School Capital Outlay	31300 - Special Capital Outlay - Local
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$	\$ 849,951
Accounts receivable :		
Taxes		
Interfund receivables		
Total assets	0	849,951
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		
Interfund payables	19,456	
Unearned revenues - property taxes		
Total liabilities	19,456	0
<b>FUND BALANCES</b>		
Restricted for:		
Capital projects fund		849,951
Unassigned	(19,456)	
Total fund balance	(19,456)	849,951
Total liabilities and fund balance	\$ 0	\$ 849,951

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECT FUNDS  
 JUNE 30, 2016

	31400 - Special Capital Outlay- State	31700 - Capital Improvements SB-9
<b>ASSETS</b>		
Current assets:		
Cash and temporary investments	\$ 19,657	\$ 267,232
Accounts receivable :		
Taxes		280,730
Interfund receivables		
Total assets	19,657	547,962
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable		54,674
Interfund payables	90,074	4,241
Unearned revenues - property taxes		280,730
Total liabilities	90,074	339,645
<b>FUND BALANCES</b>		
Restricted for:		
Capital projects fund		208,317
Unassigned	(70,417)	
Total fund balance	(70,417)	208,317
Total liabilities and fund balance	\$ 19,657	\$ 547,962

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECT FUNDS  
 JUNE 30, 2016

	<u>31900 - ED. Technology Equipment Act</u>	<u>31910 - Ed. Tech. Bond - Series Sept. 2007</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$ 1,136,840
Accounts receivable :			
Taxes			280,730
Interfund receivables	<u>370,301</u>	<u>          </u>	<u>370,301</u>
Total assets	<u>370,301</u>	<u>0</u>	<u>1,787,871</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			54,674
Interfund payables		399,853	513,624
Unearned revenues - property taxes	<u>          </u>	<u>          </u>	<u>280,730</u>
Total liabilities	<u>0</u>	<u>399,853</u>	<u>849,028</u>
<b>FUND BALANCES</b>			
Restricted for:			
Capital projects fund	370,301		1,428,569
Unassigned	<u>          </u>	<u>(399,853)</u>	<u>(489,726)</u>
Total fund balance	<u>370,301</u>	<u>(399,853)</u>	<u>938,843</u>
Total liabilities and fund balance	<u>\$ 370,301</u>	<u>\$ 0</u>	<u>\$ 1,787,871</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	31200 - Public School Capital Outlay	31300 - Special Capital Outlay - Local
	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>		
Property taxes	\$	\$
Miscellaneous	<u>                    </u>	<u>                    </u>
<i>Total Revenues</i>	<u>                    0</u>	<u>                    0</u>
<b>EXPENDITURES:</b>		
Current:		
Support services:		
General administration		
Capital Outlay	<u>                    </u>	<u>                    </u>
<i>Total expenditures</i>	<u>                    0</u>	<u>                    0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>                    0</u>	<u>                    0</u>
Net changes in fund balance	0	0
Fund balances - beginning of the year	<u>          (19,456)</u>	<u>          849,951</u>
Fund balances - end of the year	<u><u>          (19,456)</u></u>	<u><u>          849,951</u></u>



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	31400 - Special Capital Outlay- State	31700 - Capital Improvements SB-9
	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>		
Property taxes	\$	\$ 929,690
Miscellaneous		<u>1,269</u>
<i>Total Revenues</i>	<u>0</u>	<u>930,959</u>
<b>EXPENDITURES:</b>		
Current:		
Support services:		
General administration		6,936
Capital Outlay		<u>1,102,463</u>
<i>Total expenditures</i>	<u>0</u>	<u>1,109,399</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>(178,440)</u>
Net changes in fund balance	0	(178,440)
Fund balances - beginning of the year	<u>(70,417)</u>	<u>386,757</u>
Fund balances - end of the year	<u>\$ (70,417)</u>	<u>\$ 208,317</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>31900 - ED. Technology Equipment Act</u>	<u>31910 - Ed. Tech. Bond - Series Sept. 2007</u>	<u>Total</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$ 929,690
Miscellaneous			<u>1,269</u>
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>930,959</u>
<b>EXPENDITURES:</b>			
Current:			
Support services:			
General administration			6,936
Capital Outlay			<u>1,102,463</u>
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>1,109,399</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>(178,440)</u>
Net changes in fund balance	0	0	(178,440)
Fund balances - beginning of the year	<u>370,301</u>	<u>(399,853)</u>	<u>1,117,283</u>
Fund balances - end of the year	<u>\$ 370,301</u>	<u>\$ (399,853)</u>	<u>\$ 938,843</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY  
BASIS) AND ACTUAL**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

BOND BUILDING - 31100

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Investment Income			14,676	14,676
<i>Total revenues</i>	-	-	14,676	14,676
<i>EXPENDITURES:</i>				
Current:				
Facilities Acquisition and Construction	6,702,000	6,702,000	1,959,083	4,742,917
<i>Total expenditures</i>	6,702,000	6,702,000	1,959,083	4,742,917
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(6,702,000)	(6,702,000)	(1,944,407)	4,757,593
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated cash	6,702,000	6,702,000		(6,702,000)
<i>Total other financing sources (uses)</i>	6,702,000	6,702,000	0	(6,702,000)
<i>Net changes in fund balances</i>	0	0	(1,944,407)	(1,944,407)
<i>Fund balances -beginning of year</i>	0	0	6,547,731	6,547,731
<i>Fund balances - end of year</i>	\$ 0	\$ 0	4,603,324	\$ 4,603,324
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(1,944,407)	
Adjustments to revenues			1	
Adjustments to expenditures			(86,899)	
Net Change in fund balances-GAAP Basis			\$ (2,031,305)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
PUBLIC SCHOOL CAPITAL OUTLAY - 31200  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(19,456)</u>	<u>(19,456)</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>(19,456)</u></u>	<u><u>(19,456)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SPECIAL CAPITAL OUTLAY-LOCAL - 31300  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Miscellaneous	\$ _____	\$ _____	\$ 849,951	\$ 849,951
<i>Total revenues</i>	0	0	849,951	849,951
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	849,951	849,951
<i>Net changes in fund balances</i>	0	0	849,951	849,951
<i>Fund balances - beginning of year</i>	0	0	0	0
<i>Fund balances - end of year</i>	0	0	849,951	\$ 849,951
 Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			849,951	
Adjustments to revenues			(849,951)	
Adjustments to expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 SPECIAL CAPITAL OUTLAY-STATE - 31400  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ _____	\$ _____	\$ 19,657	\$ 19,657
<i>Total revenues</i>	0	0	19,657	19,657
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	0	0	0	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	19,657	19,657
<i>Net changes in fund balances</i>	0	0	19,657	19,657
<i>Fund balances - beginning of year</i>	0	0	(90,074)	(90,074)
<i>Fund balances - end of year</i>	0	0	(70,417)	(70,417)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			19,657	
Adjustments to revenues			(19,657)	
Adjustments to expenditures			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 CAPITAL IMPROVEMENTS SB-9 - 31700  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Property taxes	\$	\$	\$ 929,690	\$ 929,690
State grants		236,671		(236,671)
Miscellaneous			1,269	1,269
<i>Total revenues</i>	0	236,671	930,959	694,288
<i>EXPENDITURES:</i>				
Current:				
Support services:				
General administration	6,824	6,824	6,936	(112)
Facilities Acquisition & Construction	1,965,429	2,202,100	1,047,789	1,154,311
<i>Total expenditures</i>	1,972,253	2,208,924	1,054,725	1,154,199
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(1,972,253)	(1,972,253)	(123,766)	1,848,487
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	1,972,253	1,972,253		(1,972,253)
<i>Total other financing sources (uses)</i>	1,972,253	1,972,253	0	(1,972,253)
<i>Net changes in fund balances</i>	0	0	(123,766)	(123,766)
<i>Fund balances - beginning of year</i>	0	0	386,756	386,756
<i>Fund balances - end of year</i>	\$ 0	\$ 0	262,990	\$ 262,990
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(123,766)	
Adjustments to revenues			0	
Adjustments to expenditures			(54,674)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (178,440)	



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
EDUCATIONAL TECHNOLOGY EQUIPMENT ACT - 31900  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	<u>0</u>	\$ <u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
EDUCATION TECHNOLOGY BOND-SERIES SEPT. 2007 - 31910  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>0</u>	<u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to Revenues			0	
Adjustments to Expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

**DEBT SERVICE FUNDS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
JUNE 30, 2016

**DEBT SERVICE FUNDS**

**Deferred Sick Leave (42000)** – To accumulate funds to reimburse employees who do not use all of their accumulated sick leave. Funding Authority is the State of New Mexico Public Education Department.

**Educational Technology (43000)** – To accumulate resources for payment of principle and interest due on educational technology bonds. Financing is provided by a special tax levy approved by the voters of the Schools and assessed by the County Assessor and collected and remitted to the Schools by the County Treasurer.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 JUNE 30, 2016

	<u>42000 - Deferred Sick Leave</u>	<u>43000 - Total ED. Tech. Debt Service Subfund</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 3,989	\$ 375,064	\$ 379,053
Accounts receivable:			
Taxes	<u>                    </u>	<u>88,063</u>	<u>88,063</u>
Total assets	<u>3,989</u>	<u>463,127</u>	<u>467,116</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Unearned revenues - property taxes	<u>                    </u>	<u>88,063</u>	<u>88,063</u>
Total liabilities	<u>0</u>	<u>88,063</u>	<u>88,063</u>
<b>FUND BALANCES</b>			
Restricted for:			
Debt service Fund	<u>3,989</u>	<u>375,064</u>	<u>379,053</u>
Total fund balance	<u>3,989</u>	<u>375,064</u>	<u>379,053</u>
Total liabilities and fund balance	<u>\$ 3,989</u>	<u>\$ 463,127</u>	<u>\$ 467,116</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016

	42000 - Deferred Sick Leave	43000 - Total ED. Tech. Debt Service Subfund	Total
<b>REVENUES:</b>			
Property taxes	\$ _____	\$ 304,781	\$ 304,781
<i>Total Revenues</i>	<u>0</u>	<u>304,781</u>	<u>304,781</u>
<b>EXPENDITURES:</b>			
Current:			
Support services:			
General administration		317,440	317,440
Debt service - interest		<u>15,341</u>	<u>15,341</u>
<i>Total expenditures</i>	<u>0</u>	<u>332,781</u>	<u>332,781</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>(28,000)</u>	<u>(28,000)</u>
Net changes in fund balance	0	(28,000)	(28,000)
Fund balances - beginning of the year	<u>3,989</u>	<u>403,064</u>	<u>407,053</u>
Fund balances - end of the year	<u>\$ 3,989</u>	<u>\$ 375,064</u>	<u>\$ 379,053</u>

The accompanying notes are an integral part of these financial statements

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY  
BASIS) AND ACTUAL**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

DEBT SERVICES FUND - 41000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Property taxes	\$ _____	\$ _____	\$ 3,150,227	\$ 3,150,227
<i>Total Revenues</i>	0	0	3,150,227	3,150,227
<i>EXPENDITURES:</i>				
Current:				
Support services:				
General administration	19,232	19,232	21,568	(2,336)
Debt Service:				
Principal	4,187,919	4,187,919	2,849,280	1,338,639
<i>Total expenditures</i>	4,207,151	4,207,151	2,870,848	1,336,303
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(4,207,151)	(4,207,151)	279,379	4,486,530
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	4,207,151	4,207,151	_____	(4,207,151)
<i>Total other financing sources (uses)</i>	4,207,151	4,207,151	0	(4,207,151)
<i>Net changes in fund balances</i>	0	0	279,379	279,379
<i>Fund balances - beginning of year</i>	0	0	3,108,880	3,108,880
<i>Fund balances - end of year</i>	\$ 0	\$ 0	3,388,259	\$ 3,388,259
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			279,379	
Adjustments to Revenues			(304,780)	
Adjustments to Expenditures			(1)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ (25,402)	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

DEFERRED SICK LEAVE - 42000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
Current:				
Central Services	<u>3,989</u>	<u>3,989</u>		<u>3,989</u>
<i>Total expenditures</i>	<u>3,989</u>	<u>3,989</u>	<u>0</u>	<u>3,989</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,989)</u>	<u>(3,989)</u>	<u>0</u>	<u>3,989</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated cash	<u>3,989</u>	<u>3,989</u>		<u>(3,989)</u>
<i>Total other financing sources (uses)</i>	<u>3,989</u>	<u>3,989</u>	<u>0</u>	<u>(3,989)</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>3,990</u>	<u>3,990</u>
<i>Fund balances - end of year</i>	<u><u>0</u></u>	<u><u>0</u></u>	<u>3,990</u>	<u><u>3,990</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
TOTAL EDUCATION TECHNOLOGY DEBT SERVICE SUBFUND - 43000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
Current:				
Support services:				
General Administration	1,759	1,759	2,319	(560)
Debt service:				
Principal	561,405	561,405	330,461	230,944
<i>Total expenditures</i>	<u>563,164</u>	<u>563,164</u>	<u>332,780</u>	<u>230,384</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(563,164)</u>	<u>(563,164)</u>	<u>(332,780)</u>	<u>230,384</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated cash	<u>563,164</u>	<u>563,164</u>	<u>0</u>	<u>(563,164)</u>
<i>Total other financing sources (uses)</i>	<u>563,164</u>	<u>563,164</u>	<u>0</u>	<u>(563,164)</u>
<i>Net changes in fund balances</i>	0	0	(332,780)	(332,780)
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>393,026</u>	<u>393,026</u>
<i>Fund balances - end of year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>60,246</u></u>	<u><u>\$ 60,246</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			(332,780)	
Adjustments to revenues			304,781	
Adjustments to expenditures			<u>(1)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>\$ (28,000)</u></u>	

The accompanying notes are an integral part of these financial statements

**COMPONENT UNIT (CARINOS CHARTER SCHOOL)**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2016

	<u>11000- Operational</u>	<u>14000- Instructional Materials</u>	<u>22000- Athletics</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 68,530	\$ 6,651	\$
Accounts receivable:			
Interfund receivables	83,595		
Other	<u>102</u>	<u>          </u>	<u>38</u>
Total assets	<u>152,227</u>	<u>6,651</u>	<u>38</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	41,793		
Accrued payroll liabilities	22,999		
Interfund payables	<u>          </u>	<u>          </u>	<u>8,529</u>
Total liabilities	<u>64,792</u>	<u>0</u>	<u>8,529</u>
<b>FUND BALANCES</b>			
Restricted for:			
Special revenue Fund			
Capital projects Fund			
Instructional materials		6,651	
Unassigned:			
General fund	87,435		
Special revenue fund			(8,491)
Capital projects fund	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>87,435</u>	<u>6,651</u>	<u>(8,491)</u>
Total liabilities and fund balance	<u>\$ 152,227</u>	<u>\$ 6,651</u>	<u>\$ 38</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2016

	<u>23000- Activity Transportation</u>	<u>24101-Title I - IASA</u>	<u>24106- Entitlement IDEA-B</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$ 414	\$	\$
Accounts receivable:			
Interfund receivables			
Other	<u>          </u>	<u>          </u>	<u>693</u>
Total assets	<u>414</u>	<u>0</u>	<u>693</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities		1,361	
Interfund payables	<u>          </u>	<u>13,449</u>	<u>31,830</u>
Total liabilities	<u>0</u>	<u>14,810</u>	<u>31,830</u>
<b>FUND BALANCES</b>			
Restricted for:			
Special revenue Fund	414		
Capital projects Fund			
Instructional materials			
Unassigned:			
General fund			
Special revenue fund		(14,810)	(31,137)
Capital projects fund	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>414</u>	<u>(14,810)</u>	<u>(31,137)</u>
Total liabilities and fund balance	<u>\$ 414</u>	<u>\$ 0</u>	<u>\$ 693</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
 COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	<u>24153- English Language Acquisition</u>	<u>24154- Teacher/Principal Training &amp; Recruiting</u>	<u>25153-Title XIX MEDICAID 3/21 Years</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Interfund receivables			
Other	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables	<u>          3,875</u>	<u>          6,586</u>	<u>                    </u>
Total liabilities	<u>          3,875</u>	<u>          6,586</u>	<u>                    0</u>
<b>FUND BALANCES</b>			
Restricted for:			
Special revenue Fund			
Capital projects Fund			
Instructional materials			
Unassigned:			
General fund			
Special revenue fund	<u>          (3,875)</u>	<u>          (6,586)</u>	<u>                    </u>
Capital projects fund			
Total fund balance	<u>          (3,875)</u>	<u>          (6,586)</u>	<u>                    0</u>
Total liabilities and fund balance	<u>          \$          0</u>	<u>          \$          0</u>	<u>          \$          0</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
 COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	27114-New Mexico Reads to Lead K-3 Reading Initiative	27166- Kindergarten - Three Plus	27170-Libraries - SB 301 GO Bonds-Laws of 2006
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$
Accounts receivable:			
Interfund receivables			
Other	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>          0</u>	<u>          0</u>	<u>          0</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>          0</u>	<u>          0</u>	<u>          0</u>
<b>FUND BALANCES</b>			
Restricted for:			
Special revenue Fund			
Capital projects Fund			
Instructional materials			
Unassigned:			
General fund			
Special revenue fund			
Capital projects fund	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>          0</u>	<u>          0</u>	<u>          0</u>
Total liabilities and fund balance	<u>          0</u>	<u>          0</u>	<u>          0</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2016

	<u>31200-Public School Capital Outlay</u>	<u>31400-Special Capital Outlay- State</u>	<u>31700-Capital Improvements SB-9</u>
<b>ASSETS</b>			
Current assets:			
Cash and temporary investments	\$	\$	\$ 61,931
Accounts receivable:			
Interfund receivables			
Other	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>                    0</u>	<u>                    0</u>	<u>          61,931</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable			
Accrued payroll liabilities			
Interfund payables	<u>          19,326</u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>          19,326</u>	<u>                    0</u>	<u>                    0</u>
<b>FUND BALANCES</b>			
Restricted for:			
Special revenue Fund			
Capital projects Fund			61,931
Instructional materials			
Unassigned:			
General fund			
Special revenue fund			
Capital projects fund	<u>          (19,326)</u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>          (19,326)</u>	<u>                    0</u>	<u>          61,931</u>
Total liabilities and fund balance	<u>          \$          0</u>	<u>          \$          0</u>	<u>          \$      61,931</u>



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
 COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	<u>Total</u>
<b>ASSETS</b>	
Current assets:	
Cash and temporary investments	\$ 137,526
Accounts receivable:	
Interfund receivables	83,595
Other	833
Total assets	221,954
<b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	41,793
Accrued payroll liabilities	24,360
Interfund payables	83,595
Total liabilities	149,748
<b>FUND BALANCES</b>	
Restricted for:	
Special revenue Fund	414
Capital projects Fund	61,931
Instructional materials	6,651
Unassigned:	
General fund	87,435
Special revenue fund	(64,899)
Capital projects fund	(19,326)
Total fund balance	72,206
Total liabilities and fund balance	\$ 221,954

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2016

	Governmental fund
Amounts reported for governmental activities in the statement of activities are different because:	
Fund balances - total governmental funds	\$ 72,206
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	125,032
Deferred outflows and inflows or resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	
Deferred outflows of resources related to pension	437,349
Deferred inflows of resources related to pension	(408,486)
Certain liabilities, including net pension liability are not due and payable in the current period and, therefore, are not reported in the funds:	
Net pension liability	<u>(2,596,088)</u>
Net Position-total Governmental Activities	<u>\$ (2,369,987)</u>

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016**

	<u>11000- Operational</u>	<u>14000- Instructional Materials</u>	<u>22000- Athletics</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$
State and local grants	1,258,728	3,525	
Federal grants			
Charges for services			
Miscellaneous	<u>35,151</u>	<u>          </u>	<u>          </u>
<i>Total revenues</i>	<u>1,293,879</u>	<u>3,525</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	417,229	3,264	
Support services:			
Student	244,947		
Instruction	1,500		
General administration	52,071		
School administration	87,186		
Central services	192,644		
Operation & maintenance of plant	127,544		
Food service operations	16,844		
Community service operation	<u>4,366</u>	<u>          </u>	<u>          </u>
<i>Total expenditures</i>	<u>1,144,331</u>	<u>3,264</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>149,548</u>	<u>261</u>	<u>0</u>
Net changes in fund balance	149,548	261	0
Fund balances - beginning of the year	<u>217,027</u>	<u>6,390</u>	<u>(8,529)</u>
Restatement	<u>(279,140)</u>	<u>0</u>	<u>38</u>
Fund balances-beginning of the year, restated	<u>(62,113)</u>	<u>6,390</u>	<u>(8,491)</u>
Fund balances - end of the year	<u>\$ 87,435</u>	<u>\$ 6,651</u>	<u>\$ (8,491)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016**

	<u>23000- Activity Transportation</u>	<u>24101-Title I - IASA</u>	<u>24106- Entitlement IDEA-B</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$
State and local grants		15,284	2,784
Federal grants			
Charges for services	3,914		
Miscellaneous			
<i>Total revenues</i>	<u>3,914</u>	<u>15,284</u>	<u>2,784</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	5,077	30,094	
Support services:			
Student Instruction			28,265
General administration			
School administration			
Central services			
Operation & maintenance of plant			
Food service operations			
Community service operation			
<i>Total expenditures</i>	<u>5,077</u>	<u>30,094</u>	<u>28,265</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,163)</u>	<u>(14,810)</u>	<u>(25,481)</u>
Net changes in fund balance	(1,163)	(14,810)	(25,481)
Fund balances - beginning of the year	<u>1,577</u>	<u>(18,909)</u>	<u>(45,289)</u>
Restatement	<u>0</u>	<u>18,909</u>	<u>39,633</u>
Fund balances-beginning of the year, restated	<u>1,577</u>	<u>0</u>	<u>(5,656)</u>
Fund balances - end of the year	<u>\$ 414</u>	<u>\$ (14,810)</u>	<u>\$ (31,137)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDING JUNE 30, 2016

	<u>24153- English Language Acquisition</u>	<u>24154- Teacher/Principal Training &amp; Recruiting</u>	<u>25153-Title XIX MEDICAID 3/21 Years</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$
State and local grants			
Federal grants			2,880
Charges for services			
Miscellaneous			
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>2,880</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	3,875	1,913	
Support services:			
Student Instruction			37,141
General administration			
School administration			
Central services			
Operation & maintenance of plant			
Food service operations			
Community service operation			
<i>Total expenditures</i>	<u>3,875</u>	<u>1,913</u>	<u>37,141</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,875)</u>	<u>(1,913)</u>	<u>(34,261)</u>
Net changes in fund balance	(3,875)	(1,913)	(34,261)
Fund balances - beginning of the year	<u>0</u>	<u>(4,173)</u>	<u>44,900</u>
Restatement	<u>0</u>	<u>(500)</u>	<u>(10,639)</u>
Fund balances-beginning of the year, restated	<u>0</u>	<u>(4,673)</u>	<u>34,261</u>
Fund balances - end of the year	<u><u>\$ (3,875)</u></u>	<u><u>\$ (6,586)</u></u>	<u><u>\$ 0</u></u>

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING JUNE 30, 2016**

	<u>27114-New Mexico Reads to Lead K-3 Reading Initiative</u>	<u>27166- Kindergarten - Three Plus</u>	<u>27170-Libraries - SB 301 GO Bonds-Laws of 2006</u>
<b>REVENUES:</b>			
Property taxes	\$	\$	\$
State and local grants	22,000	23,756	
Federal grants			
Charges for services			
Miscellaneous			
<i>Total revenues</i>	<u>22,000</u>	<u>23,756</u>	<u>0</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction	14,116	23,756	
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Operation & maintenance of plant			
Food service operations			
Community service operation			
<i>Total expenditures</i>	<u>14,116</u>	<u>23,756</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>7,884</u>	<u>0</u>	<u>0</u>
Net changes in fund balance	7,884	0	0
Fund balances - beginning of the year	<u>(12,500)</u>	<u>(55,790)</u>	<u>328</u>
Restatement	<u>4,616</u>	<u>55,790</u>	<u>(328)</u>
Fund balances-beginning of the year, restated	<u>(7,884)</u>	<u>0</u>	<u>0</u>
Fund balances - end of the year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDING JUNE 30, 2016**

	31200-Public School Capital Outlay	31400-Special Capital Outlay- State	31700-Capital Improvements SB-9
<b>REVENUES:</b>			
Property taxes	\$	\$	\$ 31,762
State and local grants	57,980		
Federal grants			
Charges for services			
Miscellaneous			
<i>Total revenues</i>	57,980	0	31,762
<b>EXPENDITURES:</b>			
Current:			
Instruction			
Support services:			
Student			
Instruction			
General administration			
School administration			
Central services			
Operation & maintenance of plant	77,306		14,306
Food service operations			
Community service operation			
<i>Total expenditures</i>	77,306	0	14,306
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(19,326)	0	17,456
Net changes in fund balance	(19,326)	0	17,456
Fund balances - beginning of the year	(117,537)	(54,084)	44,475
Restatement	117,537	54,084	0
Fund balances-beginning of the year, restated	0	0	44,475
Fund balances - end of the year	\$ (19,326)	\$ 0	\$ 61,931

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES - GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDING JUNE 30, 2016

	Total
<b>REVENUES:</b>	
Property taxes	\$ 31,762
State and local grants	1,384,057
Federal grants	2,880
Charges for services	3,914
Miscellaneous	35,151
<i>Total revenues</i>	1,457,764
<b>EXPENDITURES:</b>	
Current:	
Instruction	499,324
Support services:	
Student	310,353
Instruction	1,500
General administration	52,071
School administration	87,186
Central services	192,644
Operation & maintenance of plant	219,156
Food service operations	16,844
Community service operation	4,366
<i>Total expenditures</i>	1,383,444
<i>Excess (deficiency) of revenues over (under) expenditures</i>	74,320
Net changes in fund balance	74,320
Fund balances - beginning of the year	(2,114)
Restatement	0
Fund balances-beginning of the year, restated	(2,114)
Fund balances - end of the year	\$ 72,206

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

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

	<u>Governmental fund</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 74,320
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Capital assets transfer from the District	124,023
Depreciation expenses	(2,632)
Governmental funds report School's pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense	
Employer contributions subsequent to the measurement date	94,412
Employer expense as per actuarial report	(212,880)
Add: Difference between prior year deferred outflows associated with 2015 actual employer contributions and the schedule of employer allocations 2015 actual employer contributions	(37)
Less: Rounding off difference	<u>19</u>
Change in Net Position - Total Governmental activities	<u><u>\$ 77,225</u></u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY  
BASIS) AND ACTUAL**

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

**OPERATIONAL FUND - 11000**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016**

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ 1,386,319	\$ 1,208,728	\$ 1,208,728	\$
Miscellaneous	12,000	22,631	85,151	62,520
<i>Total revenues</i>	1,398,319	1,231,359	1,293,879	62,520
<i>EXPENDITURES:</i>				
Current:				
Instruction	821,451	602,376	578,507	23,869
Support services:				
Student	146,460	255,803	246,999	8,804
Instruction	7,675	7,675	1,500	6,175
General administration	50,000	72,489	66,473	6,016
School administration	127,174	94,174	89,887	4,287
Central services	210,473	223,004	209,444	13,560
Operation & maintenance of plant	63,994	161,857	131,012	30,845
Food services operations	5,000	16,893	16,844	49
Community service	4,372	4,372	4,366	6
<i>Total expenditures</i>	1,432,227	1,438,643	1,345,032	93,611
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(33,908)	(207,284)	(51,153)	156,131
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated cash	33,908	207,284		(207,284)
<i>Total other financing sources (uses)</i>	33,908	207,284	0	(207,284)
<i>Net changes in fund balances</i>	0	0	(51,153)	(51,153)
<i>Fund balances - beginning of year</i>	0	0	185,214	185,214
<i>Fund balances - end of year</i>	\$ 0	\$ 0	134,061	\$ 134,061
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(51,153)	
Adjustments to revenues			0	
Adjustments to expenditures			200,701	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 149,548	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

TOTAL INSTRUCTIONAL MATERIALS SUBFUND - 14000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ 2,486	\$ 3,525	\$ 3,525	\$
<i>Total revenues</i>	2,486	3,525	3,525	0
<i>EXPENDITURES:</i>				
Current:				
Instruction	3,749	9,915	3,264	6,651
<i>Total expenditures</i>	3,749	9,915	3,264	6,651
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(1,263)	(6,390)	261	6,651
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	1,263	6,390		(6,390)
<i>Total other financing sources (uses)</i>	1,263	6,390	0	(6,390)
<i>Net changes in fund balances</i>	0	0	261	261
<i>Fund balances - beginning of year</i>	0	0	6,290	6,290
<i>Fund balances - end of year</i>	\$ 0	\$ 0	6,551	\$ 6,551
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			261	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 261	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

ATHLETICS - 22000

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
<i>Total revenues</i>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<i>EXPENDITURES:</i>				
<i>Total expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	(10,119)	(10,119)
<i>Fund balances - end of year</i>	<u>\$ 0</u>	<u>\$ 0</u>	(10,119)	<u>\$ (10,119)</u>
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of revenues over expenditures-GAAP basis			<u>\$ 0</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

ACTIVITY TRANSPORTATION - 23000  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Charges of services	\$ 3,500	\$ 3,500	\$ 3,914	\$ 414
<i>Total revenues</i>	3,500	3,500	3,914	414
<i>EXPENDITURES:</i>				
Current:				
Instruction	3,500	5,077	5,077	-
<i>Total expenditures</i>	3,500	5,077	5,077	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	(1,577)	(1,163)	414
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	-	1,577	-	(1,577)
<i>Total other financing sources (uses)</i>	0	1,577	0	(1,577)
<i>Net changes in fund balances</i>	0	0	(1,163)	(1,163)
<i>Fund balances - beginning of year</i>	0	0	(3,857)	(3,857)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(5,020)	\$ (5,020)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(1,163)	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ (1,163)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

TITLE I - IASA - 24101

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ 31,500	\$ 44,100	\$ 15,284	\$ (28,816)
<i>Total revenues</i>	31,500	44,100	15,284	(28,816)
<i>EXPENDITURES:</i>				
Current:				
Instruction	31,500	44,100	30,094	14,006
<i>Total expenditures</i>	31,500	44,100	30,094	14,006
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(14,810)	(14,810)
<i>Net changes in fund balances</i>	0	0	(14,810)	(14,810)
<i>Fund balances - beginning of year</i>	0	0	(18,909)	(18,909)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(33,719)	\$ (33,719)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(14,810)	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ (14,810)	

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

ENTITLEMENT IDEA-B - 24106

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ 38,104	\$ 38,104	\$ 2,784	\$ (35,320)
<i>Total revenues</i>	38,104	38,104	2,784	(35,320)
<i>EXPENDITURES:</i>				
Current:				
Instruction	35,077	377	377	
Student	3,027	37,727	37,722	5
<i>Total expenditures</i>	38,104	38,104	38,099	5
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(35,315)	(35,315)
<i>Net changes in fund balances</i>	0	0	(35,315)	(35,315)
<i>Fund balances - beginning of year</i>	0	0	(11,375)	(11,375)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(46,690)	\$ (46,690)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(35,315)	
Adjustments to revenues			0	
Adjustments to expenditures			9,834	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ (25,481)	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**

TITLE 111- ENGLISH LANGUAGE ACQUISITION - 24153  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ 5,498	\$ 5,498	\$	\$ (5,498)
Federal grants	<u>20,000</u>	<u>20,000</u>	<u>2,880</u>	<u>(17,120)</u>
<i>Total revenues</i>	<u>25,498</u>	<u>25,498</u>	<u>2,880</u>	<u>(22,618)</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	<u>5,498</u>	<u>5,498</u>	<u></u>	<u>5,498</u>
<i>Total expenditures</i>	<u>5,498</u>	<u>5,498</u>	<u>0</u>	<u>5,498</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>20,000</u>	<u>20,000</u>	<u>2,880</u>	<u>(17,120)</u>
<i>Net changes in fund balances</i>	20,000	20,000	2,880	(17,120)
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(175,573)</u>	<u>(175,573)</u>
<i>Fund balances - end of year</i>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>(172,693)</u>	<u>\$ (192,693)</u>
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			2,880	
Adjustments to revenues			(2,880)	
Adjustments to expenditures			<u>(3,875)</u>	
Excess (Deficiency) of revenues over expenditures-GAAP basis			<u>\$ (3,875)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

TITLE 11-TEACHER/PRINCIPAL TRAINING & RECRUITING - 24154  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
State grants	\$ 2,420	\$ 2,420	\$	\$ (2,420)
<i>Total revenues</i>	2,420	2,420	0	(2,420)
<i>EXPENDITURES:</i>				
Current:				
Instruction	2,420	2,420	1,913	507
<i>Total expenditures</i>	2,420	2,420	1,913	507
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(1,913)	(1,913)
<i>Net changes in fund balances</i>	0	0	(1,913)	(1,913)
<i>Fund balances - beginning of year</i>	0	0	(4,673)	(4,673)
<i>Fund balances - end of year</i>	0	0	(6,586)	(6,586)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(1,913)	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			(1,913)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

TITLE XIX MEDICAID 3/21 YEARS - 25153  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ _____	\$ -	\$ _____
<i>Total revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>          </u>
<i>EXPENDITURES:</i>				
Current:				
Support Services:				
Student	20,000	54,260	37,141	17,119
<i>Total expenditures</i>	<u>20,000</u>	<u>54,260</u>	<u>37,141</u>	<u>17,119</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(20,000)</u>	<u>(54,260)</u>	<u>(37,141)</u>	<u>17,119</u>
<i>OTHER FINANCING SOURCES (USES):</i>				
Designated Cash	20,000	54,260		(54,260)
<i>Total other financing sources (uses)</i>	<u>20,000</u>	<u>54,260</u>	<u>0</u>	<u>(54,260)</u>
<i>Net changes in fund balances</i>	0	0	(37,141)	(37,141)
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>46,576</u>	<u>46,576</u>
<i>Fund balances - end of year</i>	<u>0</u>	<u>0</u>	<u>9,435</u>	<u>\$ 9,435</u>
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(37,141)	
Adjustments to revenues			2,880	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of revenues over expenditures-GAAP basis			<u>(34,261)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

NEW MEXICO READS TO LEAD K-3 READING INITIATIVE - 27114  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ 22,000	\$ 22,000	\$ 22,000	\$ _____
<i>Total revenues</i>	22,000	22,000	22,000	_____
<i>EXPENDITURES:</i>				
Current:				
Instruction	22,000	22,000	22,000	_____
<i>Total expenditures</i>	22,000	22,000	22,000	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	0	0
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	0	0	(14,246)	(14,246)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(14,246)	\$ (14,246)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			7,884	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 7,884	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**

KINDERGARTEN THREE PLUS - 27166  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
State grants	\$ 27,873	\$ 26,674	\$ 23,756	\$ (2,918)
<i>Total revenues</i>	<u>27,873</u>	<u>26,674</u>	<u>23,756</u>	<u>(2,918)</u>
<i>EXPENDITURES:</i>				
Current:				
Instruction	27,873	26,674	23,756	2,918
<i>Total expenditures</i>	<u>27,873</u>	<u>26,674</u>	<u>23,756</u>	<u>2,918</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net changes in fund balances</i>	0	0	0	0
<i>Fund balances - beginning of year</i>	<u>0</u>	<u>0</u>	<u>(55,790)</u>	<u>(55,790)</u>
<i>Fund balances - end of year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>(55,790)</u>	<u>\$ (55,790)</u>
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			0	
Adjustments to revenues			0	
Adjustments to expenditures			<u>0</u>	
Excess (Deficiency) of revenues over expenditures-GAAP basis			<u>\$ 0</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

PUBLIC SCHOOL CAPITAL OUTLAY - 31200  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Federal grants	\$ _____	\$ 77,306	\$ 57,980	\$ (19,326)
<i>Total revenues</i>	0	77,306	57,980	(19,326)
<i>EXPENDITURES:</i>				
Current:				
Operation & maintenance of plant	_____	77,306	77,306	_____
<i>Total expenditures</i>	0	77,306	77,306	0
<i>Excess (deficiency) of revenues over (under) expenditures</i>	0	0	(19,326)	(19,326)
<i>Net changes in fund balances</i>	0	0	(19,326)	(19,326)
<i>Fund balances - beginning of year</i>	0	0	(117,536)	(117,536)
<i>Fund balances - end of year</i>	\$ 0	\$ 0	(136,862)	\$ (136,862)
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			(19,326)	
Adjustments to revenues			0	
Adjustments to expenditures			0	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ (19,326)	

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

**CAPITAL IMPROVEMENTS SB-9 - 31700  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>REVENUES:</i>				
Property taxes	\$ 32,067	\$ 32,067	\$ 31,762	\$ (305)
State grants		6,643		(6,643)
Miscellaneous	21,820	21,820		(21,820)
<i>Total revenues</i>	53,887	60,530	31,762	(28,768)
<i>EXPENDITURES:</i>				
Current:				
Operation & maintenance of plant	63,410	70,053	14,305	55,748
<i>Total expenditures</i>	63,410	70,053	14,305	55,748
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(9,523)	(9,523)	17,457	26,980
Designated Cash	9,523	9,523		(9,523)
<i>Total other financing sources (uses)</i>	9,523	9,523	0	(9,523)
<i>Net changes in fund balances</i>	0	0	17,457	17,457
<i>Fund balances - beginning of year</i>	0	0	44,475	44,475
<i>Fund balances - end of year</i>	\$ 0	\$ 0	61,932	\$ 61,932
Reconciliation of budgetary basis to GAAP basis				
Excess (Deficiency) of revenues over expenditures-cash basis			17,457	
Adjustments to revenues			0	
Adjustments to expenditures			(1)	
Excess (Deficiency) of revenues over expenditures-GAAP basis			\$ 17,456	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL**

**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
JUNE 30, 2016**

<u>Bank Account Type/Name</u>	<u>Century Bank</u>
Checking	\$ 172,700
Reconciling and other unreconciling Items	<u>(35,174)</u>
Reconciled Balance June 30, 2016	<u>\$ 137,526</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL**

**CASH RECONCILIATION  
 JUNE 30, 2016**

	Operational Account 11000	Instructional Materials Accounts 14000	Athletics Fund 22000	Non- Instructional Support 23000
Cash, June 30, 2015	\$ 347,245	\$ 6,390	\$ (8,529)	\$ 1,577
Add:				
2015-16 revenues	<u>1,293,879</u>	<u>3,525</u>	<u>          </u>	<u>3,914</u>
Total cash available	<u>1,641,124</u>	<u>9,915</u>	<u>(8,529)</u>	<u>5,491</u>
Less:				
2015-16 expenditures	(1,345,031)	(3,264)		(5,077)
Held checks	82,130			
Cash transfer/ Reversions	(69,653)			
Adjustment	<u>(156,445)</u>	<u>          </u>	<u>          </u>	<u>          </u>
Cash per PED, June 30, 2016	152,125	6,651	(8,529)	414
Add/Less:				
Due to/(from) due to pooled cash	<u>(83,595)</u>	<u>0</u>	<u>8,529</u>	<u>0</u>
Cash per financial statement	<u>\$ 68,530</u>	<u>\$ 6,651</u>	<u>\$ 0</u>	<u>\$ 414</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Federal Flowthrough 24000	Federal Direct 25000	State Flowthrough 27000	Public School Capital Outlay 31200
Cash, June 30, 2015	\$ (104,221)	\$ 34,261	\$ (69,708)	\$ (66,489)
Add:				
2015-16 revenues	<u>20,948</u>	<u>          </u>	<u>45,756</u>	<u>57,980</u>
Total cash available	<u>(83,273)</u>	<u>34,261</u>	<u>(23,952)</u>	<u>(8,509)</u>
Less:				
2015-16 expenditures	(73,981)	(37,141)	(45,756)	(77,306)
Held checks	4,846			
Cash transfer/ Reversions	50,613		(328)	
Adjustment	<u>46,055</u>	<u>2,880</u>	<u>70,036</u>	<u>66,489</u>
Cash per PED, June 30, 2016	(55,740)	0	0	(19,326)
Add/Less:				
Due to/(from) due to pooled cash	<u>55,740</u>	<u>0</u>	<u>0</u>	<u>19,326</u>
Cash per financial statement	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Spec. Capital Outlay-Local 31400	Capital Improvements SB-9 31700	Total
	<u>          </u>	<u>          </u>	<u>          </u>
Cash, June 30, 2015	\$	\$ 45,373	\$ 185,899
Add:			
2015-16 revenues	<u>          </u>	<u>31,762</u>	<u>1,457,764</u>
Total cash available	<u>0</u>	<u>77,135</u>	<u>1,643,663</u>
Less:			
2015-16 expenditures		(14,304)	(1,601,860)
Held checks			86,976
Cash transfer/ Reversions			(19,368)
Adjustment	<u>          </u>	<u>(900)</u>	<u>28,115</u>
Cash per PED, June 30, 2016	0	61,931	137,526
Add/Less:			
Due to/(from) due to pooled cash	<u>0</u>	<u>0</u>	<u>0</u>
Cash per financial statement	<u>\$ 0</u>	<u>\$ 61,931</u>	<u>\$ 137,526</u>

## **SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2016**

	Balance <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2016</u>
Abiquiu Elementary	\$ 93,063	\$ 35,818	\$ 64,987	\$ 63,894
Alcalde Elementary	15,267	22,466	20,552	17,181
Chimayo Elementary	11,207	18,048	16,367	12,888
Dixon Elementary	3,854	5,367	4,819	4,402
Espanola Elementary	29,000	62,529	68,644	22,885
Fairview Elementary	24,189	68,148	66,650	25,687
Hernandez Elementary	2,798	19,748	17,489	5,057
Los Ninos Elementary	332	3,269	3,361	240
Mountain View Elementary	293			293
San Juan Elementary	9,794	105,134	112,173	2,755
Sombrillo Elementary	12,330	10,549	9,307	13,572
Velarde Elementary	3,149	10,249	8,850	4,548
Espanola Middle School	25,377	24,754	23,347	26,784
Espanola Valley High School	224,754	184,614	173,980	235,388
Clearing Account - Agency Funds	21,920	217,882	183,405	56,397
Charter Activity	<u>1,846</u>			<u>1,846</u>
Total All Schools	<u>\$ 479,173</u>	<u>\$ 788,575</u>	<u>\$ 773,931</u>	<u>\$ 493,817</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY  
FOR PUBLIC FUNDS  
JUNE 30, 2016

Name of Depository	Description of Pledged Collateral	Maturity	Fair/Par Market June 30, 2016
Century Bank of Santa Fe, NM	CUSIP 077571CK1 Belen NM Gross Rcpts Tax	6/01/2019	\$ 282,750
Century Bank of Santa Fe, NM	CUSIP 80004PCV2 Sandoval Cnty NM	12/15/2018	359,885
Century Bank of Santa Fe, NM	CUSIP 98981RAJ6 Zuni NM Public Sch Dist Teacher	8/01/2020	135,298
Century Bank of Santa Fe, NM	CUSIP 581615DG3 Mc Kinley Cnty N Mex Gross Rcp	6/01/2021	156,011
Century Bank of Santa Fe, NM	CUSIP 085279NZ6 Bernalillo NM Mun Sch Dist No	8/01/2021	310,974
Century Bank of Santa Fe, NM	CUSIP 781338GP7 Ruidoso NM Mun Sch Dist	8/01/2022	501,155
Century Bank of Santa Fe, NM	CUSIP 876014FH9 Taos NM Mun Sch Dist No 001	9/01/2022	240,336
Century Bank of Santa Fe, NM	CUSIP 54422NCZ7 Los Alamos N Mex Pub Sch Dist	8/01/2023	379,586
Century Bank of Santa Fe, NM	CUSIP 647110EP6 New Mexico Edl Assistance Fndt	12/01/2023	487,592
Century Bank of Santa Fe, NM	CUSIP 802169BJ0 Santa Fe N Mex Wtr Util Sys	6/01/2025	224,730
Century Bank of Santa Fe, NM	CUSIP 433866EL0 Hobbs NM Sch Dist No 16	9/15/2027	1,412,666
Century Bank of Santa Fe, NM	CUSIP 51778TCB3 Las Vegas NM Gross Rcpts Tax	6/01/2029	465,243
Century Bank of Santa Fe, NM	CUSIP 550332CG3 Luna Cnty N Mex Gross Rcpts	7/01/2017	225,159
Century Bank of Santa Fe, NM	CUSIP 013538HB2 Albuquerque NM Arpt Rev	7/01/2018	<u>1,593,270</u>
			<u>\$ 6,774,655</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
JUNE 30, 2016

Bank Account Type /Name	Century Bank	Wells Fargo Bank	State of New Mexico	Totals
Valley National Bank				
Checking - Operational	\$ 4,798,681	\$	\$	\$ 4,798,681
General Obligations Bond	2,155,505			2,155,505
MMA Investment II 88607506	4,284,040			4,284,040
Flexible Spending Bank Account		2,526		2,526
State of New Mexico				
LGIP Fund (Pool - 4101)	<u>                    </u>	<u>                    </u>	3,085,908	<u>3,085,908</u>
Total on Deposit	11,238,226	2,526	3,085,908	14,326,660
Reconciling Items - District	<u>(2,760,830)</u>	<u>                    </u>	<u>                    </u>	<u>(2,760,830)</u>
Reconciled Balance June 30, 2016	<u>\$ 8,477,396</u>	<u>\$ 2,526</u>	<u>\$ 3,085,908</u>	<u>11,565,830</u>
Less: Fiduciary Funds Cash				<u>493,817</u>
Cash per Government-wide Financial Statements				<u>\$ 11,072,013</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Operational 11000	Transportation 13000	Instructional Material 14000	Food Service 21000
Cash, June 30, 2015	\$ 2,311,663	\$ 1,562	\$ 139,631	\$ (227,511)
Add:				
2015-16 revenues	<u>31,033,389</u>	<u>1,588,424</u>	<u>270,716</u>	<u>2,084,163</u>
Total cash available	<u>33,345,052</u>	<u>1,589,986</u>	<u>410,347</u>	<u>1,856,652</u>
Less:				
2015-16 expenditures	<u>29,886,692</u>	<u>1,587,954</u>	<u>82,174</u>	<u>1,533,344</u>
Total Expenses	<u>29,886,692</u>	<u>1,587,954</u>	<u>82,174</u>	<u>1,533,344</u>
Other Adjustments	(230,637)	(2,299)	(7,000)	171,383
Held Checks	<u>                    </u>	<u>          (428)</u>	<u>                    </u>	<u>                    </u>
Reconciled cash balance	3,227,723	(695)	321,173	494,691
Total Outstanding loans	<u>          0</u>	<u>          0</u>	<u>          0</u>	<u>          0</u>
Cash per PED, June 30, 2016	3,227,723	(695)	321,173	494,691
Add/Less:				
Due to/(from) due to pooled cash	<u>(2,581,247)</u>	<u>          695</u>	<u>          0</u>	<u>          0</u>
Cash per financial statement	<u>\$ 646,476</u>	<u>\$ 0</u>	<u>\$ 321,173</u>	<u>\$ 494,691</u>



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Athletics 22000	Non Instruction 23000	Federal Flowthrough 24000	Federal Direct 25000
Cash, June 30, 2015	\$ 1,821	\$ 858	\$ (482,531)	\$ 323,027
Add:				
2015-16 revenues	<u>110,841</u>	<u>          </u>	<u>2,925,675</u>	<u>790,779</u>
Total cash available	<u>112,662</u>	<u>858</u>	<u>2,443,144</u>	<u>1,113,806</u>
Less:				
2015-16 expenditures	<u>95,963</u>	<u>          </u>	<u>3,264,805</u>	<u>797,539</u>
Total Expenses	<u>95,963</u>	<u>0</u>	<u>3,264,805</u>	<u>797,539</u>
Other Adjustments	(226)		(1,088,852)	(21,781)
Held Checks	<u>(40)</u>	<u>          </u>	<u>(10,344)</u>	<u>(578)</u>
Reconciled cash balance	16,433	858	(1,920,857)	293,908
Total Outstanding loans	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash per PED, June 30, 2016	16,433	858	(1,920,857)	293,908
Add/Less:				
Due to/(from) due to pooled cash	<u>0</u>	<u>0</u>	<u>1,920,857</u>	<u>1</u>
Cash per financial statement	<u>\$ 16,433</u>	<u>\$ 858</u>	<u>\$ 0</u>	<u>\$ 293,909</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Local Grants <u>26000</u>	State Flowthrough <u>27000</u>	State Direct <u>28000</u>	Local/State <u>29000</u>
Cash, June 30, 2015	\$ 996	\$ 311,514	\$ 6,966	\$ 97,996
Add:				
2015-16 revenues	<u>          </u>	<u>1,213,206</u>	<u>          </u>	<u>          </u>
Total cash available	<u>996</u>	<u>1,524,720</u>	<u>6,966</u>	<u>97,996</u>
Less:				
2015-16 expenditures	<u>          </u>	<u>1,621,245</u>	<u>          </u>	<u>          </u>
Total Expenses	<u>0</u>	<u>1,621,245</u>	<u>0</u>	<u>0</u>
Other Adjustments	(300)	(506,562)	(3,348)	
Held Checks	<u>5</u>	<u>(818)</u>	<u>          </u>	<u>          </u>
Reconciled cash balance	701	(603,905)	3,618	97,996
Total Outstanding loans	<u>0</u>	<u>(55,789)</u>	<u>0</u>	<u>0</u>
Cash per PED, June 30, 2016	701	(659,694)	3,618	97,996
Add/Less:				
Due to/(from) due to pooled cash	<u>0</u>	<u>659,694</u>	<u>0</u>	<u>0</u>
Cash per financial statement	<u>\$ 701</u>	<u>\$ 0</u>	<u>\$ 3,618</u>	<u>\$ 97,996</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Bond Building 31100	Spec. Capital Outlay-Local 31300	Spec. Capital Outlay-State 31400	Cap. Improv. SB 31700
Cash, June 30, 2015	\$ 6,507,424	\$ 849,951	\$ 19,657	\$ 390,997
Add:				
2015-16 revenues	<u>14,676</u>	<u>          </u>	<u>          </u>	<u>930,959</u>
Total cash available	<u>6,522,100</u>	<u>849,951</u>	<u>19,657</u>	<u>1,321,956</u>
Less:				
2015-16 expenditures	<u>1,959,083</u>	<u>          </u>	<u>          </u>	<u>1,054,725</u>
Total Expenses	<u>1,959,083</u>	<u>0</u>	<u>0</u>	<u>1,054,725</u>
Other Adjustments	24,044			1
Held Checks	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Reconciled cash balance	4,587,061	849,951	19,657	267,232
Total Outstanding loans	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash per PED, June 30, 2016	4,587,061	849,951	19,657	267,232
Add/Less:				
Due to/(from) due to pooled cash	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash per financial statement	<u>\$ 4,587,061</u>	<u>\$ 849,951</u>	<u>\$ 19,657</u>	<u>\$ 267,232</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	Ed Tech Equip Act <u>31900</u>	Debt Service <u>41000</u>	Deferred Sick leave <u>42000</u>	Ed Tech Debt Service <u>43000</u>
Cash, June 30, 2015	\$	\$ 1,372,150	\$ 3,990	\$ 403,064
Add:				
2015-16 revenues	<u>          </u>	<u>2,845,447</u>	<u>          </u>	<u>304,781</u>
Total cash available	<u>          0</u>	<u>4,217,597</u>	<u>3,990</u>	<u>707,845</u>
Less:				
2015-16 expenditures	<u>          </u>	<u>2,870,848</u>	<u>          </u>	<u>332,781</u>
Total Expenses	<u>          0</u>	<u>2,870,848</u>	<u>          0</u>	<u>332,781</u>
Other Adjustments		1,746,455	(1)	
Held Checks	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Reconciled cash balance	0	3,093,204	3,989	375,064
Total Outstanding loans	<u>          0</u>	<u>          0</u>	<u>          0</u>	<u>          0</u>
Cash per PED, June 30, 2016	0	3,093,204	3,989	375,064
Add/Less:				
Due to/(from) due to pooled cash	<u>          0</u>	<u>          0</u>	<u>          0</u>	<u>          0</u>
Cash per financial statement	<u>\$          0</u>	<u>\$ 3,093,204</u>	<u>\$      3,989</u>	<u>\$ 375,064</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**CASH RECONCILIATION**  
**JUNE 30, 2016**

	<u>Total</u>
Cash, June 30, 2015	\$12,033,225
Add:	
2015-16 revenues	<u>44,113,056</u>
Total cash available	<u>56,146,281</u>
Less:	
2015-16 expenditures	<u>45,087,153</u>
Total Expenses	<u>45,087,153</u>
Other Adjustments	80,877
Held Checks	<u>(12,203)</u>
Reconciled cash balance	11,127,802
Total Outstanding loans	<u>(55,789)</u>
Cash per PED, June 30, 2016	11,072,013
Add/Less:	
Due to/(from) due to pooled cash	<u>0</u>
Cash per financial statement	<u><u>\$11,072,013</u></u>

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

**SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)  
FOR THE YEAR ENDED JUNE 30, 2016**

Prepared by Agency Staff Name: Maria Fidalgo Title: Business Manager Date: June 04, 2017

Agency Name	Agency Type	RFB/RFP / State-Wide Price Agreement #	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Address of ALL Vendor(s) that responded	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
Espanola Public School District	School		State-wide price agreement	Cooperative Education Services	No	1,274,244.90			No	No	Multiple services
Espanola Public School District	School	214-10	RFP	FCI Construction	Yes	5,332,947.50		7119 2nd St. NW, Albuquerque; 4901 McLeod Rd. NE, Albuquerque; 2906 Broadway NE, Albuquerque	No	No	Construction of Fairview Elem.
Espanola Public School District	School	16-01B-R1219-124	State-wide price agreement	R and M Construction	No	730,909.96			No	No	Construction
Espanola Public School District	School			Jemez Mountains Electric Co-Op	No	709,941.98			No	No	Utilities
Espanola Public School District	School	2014-004-204 MNJT	State-wide price agreement	MNJ Technologies Direct, Inc.	No	354,427.82			No	No	Technology vendor
Espanola Public School District	School	214-15	RFP	Soliant Health	Yes	395,625.50			No	No	Ancillary services
Espanola Public School District	School	214-17	RFP	Pro Sac Services	Yes	280,800.00	55,253.80	4100 Osuna Rd., NE, Albuquerque, NM, P.O. Box 546, Canjilon, NM, P.O. Box 35104, Albuquerque, NM	No	No	Security
Espanola Public School District	School			Windstream Corp.	No	222,992.83			No	No	Utilities
Espanola Public School District	School	213-11	RFP	Summit Food Services, Inc.	Yes	215,000.00	43,454.41		No	No	Food services
Espanola Public School District	School		Legal settlement	Baves Achievement Center	No	236,965.00	\$4,420.00		No	No	Residential treatment
Espanola Public School District	School			J.D. Martinez, Inc.	No	224,428.56			No	No	Bus services
Espanola Public School District	School			Archway SCM, LLC	No	205,249.98			No	No	Academic books
Espanola Public School District	School	216-09	RFP	Coronado Wrecking & Salvage Co	Yes	157,063.15	\$5,416.80	6020 Industry Way S.E., Albuquerque, NM, 2 Private Dr. 1529, Hernandez, NM.	No	No	Demolition of EMSE
Espanola Public School District	School			City of Espanola Water & Sewer	No	173,118.28			No	No	Utilities
Espanola Public School District	School	212-13	RFP	Fanning Bard Tatum Architects	Yes	313,640.00		4477 Irving N.W., Suite A, Albuquerque, NM; 2101 Mountain Rd., N.W., Albuquerque, NM.			Velarde Elem. architect
Espanola Public School District	School	214-01	RFP	Fanning Bard Tatum Architects	Yes	122,869.07		2101 Mountain Rd NW, Albuquerque; 4477 Irving Blvd NW, #A, Albuquerque; 400 Gold Ave SW, #1100, Albuquerque; 1306 Rio Grande Blvd NW, Albuquerque; 1925 Aspen Dr, #801B, Santa Fe.			LNKC architect
Espanola Public School District	School			Suazo Bus Service Inc.	No	152,647.54			No	No	Student transportation
Espanola Public School District	School	216-01	IFB	Creamland Dairies, LLC	Yes	147,840.91		Sole bidder	No	No	Milk distributor
Espanola Public School District	School			Transportation Dept. Espanola Public Schools	No	132,130.69			No	NO	Student transportation
Espanola Public School District	School			North Central Solid Waste	No	130,167.59			No	No	Solid waste removal
Espanola Public School District	School			BP Energy Company/Wasatch	No	124,721.24			No	No	Natural gas provider
Espanola Public School District	School		MOU	Rio Arriba County	No	111,543.87			No	No	Multiple services
Espanola Public School District	School	212-14	RFP	SMPC Architects	Yes	769,600.00	\$45,224.82	6100 Indian School Rd. NE, Ste 210, Albuquerque; 2101 Mountain Rd. NW, Albuquerque; 4477 Irving Blvd. NW, Albuquerque; 122 Dona Luz #A, Taos; 1801 Rio Grande Blvd. NW, Albuquerque; 1807 2nd St. #34, Santa Fe, NM; 1306 Rio Grande Blvd. NW, Albuquerque; 7601 Jefferson St. NE #100, Albuquerque; 1717 Louisiana Blvd. NE, Albuquerque	No	No	Fairview Elem. Architect
Espanola Public School District	School	214-15	RFP	Alice Meador	Yes	91,469.00	\$8,318.00		No	No	Psychologist
Espanola Public School District	School	214-15	RFP	Speech Therapy Services Inc.	Yes	90,594.00			No	No	Speech therapist
Espanola Public School District	School	213-09	RFP	Performance Maintenance Inc.	Yes	95,232.92		1201 Chacoma Ln., Espanola, NM, P.O. Box 1066, Santa Cruz, NM.	No	No	Janitorial supplies
Espanola Public School District	School	214-15	RFP	Susan C. Wright	Yes	86,320.00			No	No	Physical therapist
Espanola Public School District	School			Bank of America	No	71,782.69			No	No	Various vendors
Espanola Public School District	School	214-15	RFP	J.J. Martinez, Inc.	Yes	78,939.00	\$4,410.00		No	No	Speech therapist
Espanola Public School District	School	214-15	RFP	Cristal Clear Communications	Yes	78,939.00	\$3,000.00		No	No	Speech therapist
Espanola Public School District	School			Tyler Technologies, Inc.	No	86,090.99			No	No	Accounting system
Espanola Public School District	School	214-15	RFP	Santa Fe Speech Services, Inc.	Yes	78,939.00			No	No	Speech therapist
Espanola Public School District	School	214-15	RFP	Creative Communications Connections, LLC	Yes	78,939.00			No	No	Speech therapist
Espanola Public School District	School			Carinos Charter School	No	79,500.00			No	No	Legal settlement
Espanola Public School District	School	214-14	RFP	Cyber Mesa Computer Systems, Inc.	Yes	105,582.42	(\$10,725.15)	3900 Paseo Del Sol, Santa Fe, NM; 505 Marquette Ave. NW, Suite 1600, Albuquerque, NM.			Internet provider
Espanola Public School District	School	214-18	RFP	Walsh, Gallegos, Trevino	Yes	60,000.00	\$17,943.64	1701 Old Pecos Trail, Santa Fe, NM; Two Park Square, Suite 1000, 6565 Americas Parkway, NE, Albuquerque, NM.	No	No	Legal counsel
Espanola Public School District	School			Houston Oil & Distributing, LLC	No	77,211.81			No	No	Vehicle gasoline provider
Espanola Public School District	School	214-15	RFP	Northern Professional Speech Lang Pathol	Yes	78,939.00	2,016.00		No	No	Speech therapist
Espanola Public School District	School			Burnes & Noble Bookshelters, Inc.	No	74,499.71					Book retailer
Espanola Public School District	School		PSA small contract	Ortiz & Zamora Attorneys at Law	No	60,000.00	12,258.02				Legal
Espanola Public School District	School		* can't find documents	Johnson Controls, Inc.	No	71,535.00					Maintenance contractor
Espanola Public School District	School	215-09	RFP	Enviro-Kleen LLC	Yes	70,116.79		835 N. Paseo de Onate, Espanola, P.O. Box 1066, Santa Cruz, NM; 811A Riverside Drive, Espanola	No	No	Janitorial supplies
Espanola Public School District	School	215-11	RFP	Consuelo Salazar	Yes	66,409.00		P.O. Box 157, Espanola, NM; 6020 Constitution NE, Suite 4, Albuquerque, NM; Charlotte, NC	No	No	Occupational therapist
Espanola Public School District	School		State-wide price agreement	Yearout Service Svcs.	No	68,646.92					Maintenance contractor
Espanola Public School District	School		Lease	De Lage Landen Financial Svcs.	No	66,198.07					Copier/printing machines
Espanola Public School District	School	214-15	RFP	Bright Futures Speech & Language	Yes	63,504.00	341.97		No	No	Speech therapist
Espanola Public School District	School	216-04	RFP	Lifespan Therapy Services, Inc.	Yes	65,065.00		1979 Lakeside Parkway, Suite 800, Tucker, GA.	No	No	Speech therapist
Espanola Public School District	School			Wright Express	Yes	63,043.38					Vehicle gasoline provider

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT**

SCHEDULE OF THE ESPANOLA PUBLIC SCHOOL DISTRICT PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2016

<u>Educational Retirement Board (ERB) Plan</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.69293%	0.71799%
District's proportionate share of the net pension liability (asset)	\$ 44,882,921	\$ 40,966,568
District's covered-employee payroll	\$ 18,919,209	\$ 19,790,533
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237.23%	207.00%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	66.54%

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF ESPANOLA PUBLIC SCHOOL DISTRICT CONTRIBUTIONS  
FOR THE YEAR ENDED JUNE 30, 2016

Educational Retirement Board (ERB) Pension Plan

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,705,111	\$ 2,739,207
Contributions in relation to the contractually required contribution	\$ <u>2,705,111</u>	\$ <u>2,739,207</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>
District's covered-employee payroll	\$ 18,919,209	\$ 19,790,533
Contributions as a percentage of covered-employee payroll	14.30%	13.84%

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
 SCHEDULE OF THE CARINOS CHARTER SCHOOL PROPORTIONATE SHARE OF THE NET  
 PENSION LIABILITY  
 FOR THE YEAR ENDED JUNE 30, 2016

**Carinos Charter School (The Charter)**

Educational Retirement Board (ERB) Plan

	2016	2015
Charter's proportion of the net pension liability (asset)	0.04008%	0.04748%
Charter's proportionate share of the net pension liability (asset)	\$ 2,596,088	\$ 2,709,072
Charter's covered-employee payroll	\$ 1,094,312	\$ 1,308,683
Charter's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237.23%	207.01%
Plan fiduciary net position as a percentage of the total pension liability	63.97%	66.54%

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**SCHEDULE OF CARINOS CHARTER SCHOOL CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**Carinos Charter School (The Charter)**

Educational Retirement Board (ERB) Pension Plan

	2016	2015
Contractually required contribution	\$ 94,412	\$ 158,387
Contributions in relation to the contractually required contribution	<u>\$ 94,412</u>	<u>\$ 158,387</u>
Contribution deficiency (excess)	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
Charter's covered-employee payroll	\$ 1,094,312	\$ 1,308,683
Contributions as a percentage of covered-employee payroll	8.63%	12.10%

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016

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

***Changes of assumptions.*** ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on June 12, 2015, ERB implemented the following changes in assumptions for fiscal years 2015 and 2014.

1. Fiscal year 2015 and 2014 valuation assumptions that changed based on this study:
  - (a) Lower wage inflation from 4.25% to 3.75%
  - (b) Minor changes to demographic assumptions
  - (c) Population growth per year from 0.50% to zero (no impact on valuation results).
2. Assumptions that were not changed:
  - (a) Investment return will remain at 7.75%
  - (b) Inflation will remain at 3.00%
  - (c) Payroll growth will remain at 3.50%.

See also the Actuarial Assumptions subsection of the financial statement note disclosure General Information on the Pension Plan.

## **COMPLIANCE SECTION**

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

Tim Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Governing Board  
Espanola Public School District  
Espanola, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue fund of the Espanola Public School District (the "District"), New Mexico, 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, and the combining and individual funds and related budgetary comparisons of the District presented as supplemental information, and have issued our report thereon dated September 01, 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.

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 2015-001, 2016-005, 2016-007, CS-2015-002 and CS 2016-004 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 2016-001, 2016-002, 2016-004, 2016-006, CS 2014-003, CS 2016-002 and CS 2016-003 to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2014-002, 2016-003, and CS 2016-001.

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

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

### **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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Harshwal & Company LLP**  
**Certified Public Accountants**

*Harshwal & Company LLP*

**Albuquerque, New Mexico**  
**September 01, 2017**

# **FEDERAL FINANCIAL ASSISTANCE**

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE  
INDEPENDENT AUDITOR'S REPORT**

Tim Keller  
New Mexico State Auditor  
The Office of Management and Budget  
The Governing Board  
Espanola Public School District  
Espanola, New Mexico

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

We have audited the Espanola Public School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Espanola Public School District's major federal programs for the year ended June 30, 2016. Espanola Public School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of 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 Espanola Public School 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 Espanola Public School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



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

### **Opinion on Each Major Federal Program**

In our opinion, the Espanola Public School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 item FA 2016-001. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control Over Compliance**

Management of the Espanola Public School 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 Espanola Public School 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 Espanola Public School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item FA 2016-001, that we consider to be material weaknesses.

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

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.

**Harshwal & Company LLP**  
**Certified Public Accountants**

*Harshwal & Company LLP*

**Albuquerque, New Mexico**  
**September 01, 2017**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2016**

Federal Grantor or Pass-Through Grantor / Program Title	Pass-through Number	Federal CFDA	Federal Expenditures
<b>U.S. Department of Education</b>			
<i>Pass-through State of New Mexico Department of Education:</i>			
Title I - IASA	24101	84.010	\$ 1,701,544
IDEA - B Competitive	24108	84.027	2,213
IDEA - B Entitlement	24106	84.027A	833,485
IDEA - B "Risk Pool"	24120	84.027A	65,915
Subtotal- 84.027A			<u>899,400</u>
IDEA - B Pre School	24109	84.173A	33,055
Title II - IASA Math/Science	24115	84.173A	450
Subtotal- 84.173A			<u>33,505</u>
Title III - English Language Acquisition	24153	84.365A	59,925
Title II - Teacher/Principal Training & Recruiting	24154	84.367A	440,983
Rural & Low Income Schools	24160	84.358B	55,307
Carl D Perkins Secondary-Current	24174	84.048	54,109
Impact Aid Special Education	25145	84.041	15,367
Impact Aid Indian Education	25147	84.041	28,667
Impact Aid – Public Law	11000	84.041	213,553
Subtotal- 84.041			<u>257,587</u>
Carl D. Perkins Secondary - Redistribution	24176	84.048	13,143
Indian Education Formula Grant	25184	84.060A	53,361
Subtotal - Pass-through State of New Mexico Department of Education			<u>3,571,077</u>
<b>Total U.S. Department of Education</b>			<u>3,571,077</u>
<b>U.S. Department of Agriculture</b>			
<i>Direct U.S. Department of Agriculture</i>			
Child and Adult Food Program	25171	10.558	99,580
Forest Reserve	11000	10.670	1,128,025
Subtotal - Direct U.S. Department of Agriculture			<u>1,227,605</u>
<i>Pass-through State of New Mexico Department of Education</i>			
School Lunch Program	21000	10.555	1,532,644
Subtotal - Pass-through State of New Mexico Department of Education			<u>1,532,644</u>
<b>Total U.S. Department of Agriculture</b>			<u>2,760,249</u>
<b>U.S. Dept. of Health and Human Services</b>			
<i>Direct Program</i>			
Title XIX Medicaid 3 - 21 Years	25153	93.778	600,565
Subtotal - Direct Program			<u>600,565</u>
<b>Total U.S. Dept. of Health and Human Services</b>			<u>600,565</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 6,931,891</u>

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2016**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Espanola Public School District (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**2. Sub recipients**

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

**3. Indirect Cost Rate**

The District used the federal indirect cost rate which was mandated by the New Mexico Public Education Department for the year ended June 30, 2016.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 6,931,891
Total expenditures funded by other sources	<u>38,263,383</u>
Total expenditures	<u>\$ 45,195,274</u>

**STATE OF NEW MEXICO  
 ESPANOLA PUBLIC SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2016**

**SECTION I - SUMMARY OF AUDIT RESULTS**

**Financial Statements:**

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
• Material weakness identified?	Yes
• Significant deficiencies identified not considered to be material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

**Federal Awards:**

Internal control over major programs:	
• Material weakness identified?	Yes
• Significant deficiencies identified not considered to be material weaknesses?	None Reported
• Control deficiencies identified not considered to be significant deficiencies?	No
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)?	Yes

**IDENTIFICATION OF MAJOR PROGRAMS:**

CFDA Number	Federal Program
84.010	Title I
84.367A	Title II Teacher/Principal Training & Recruiting
10.670	Forest Reserve

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT**

**2014-002 Compliance with Procurement Code – Bids (Repeated/Modified) – Other Matter**

**Condition**

During our review of 25 vendors with payments above \$5,000, we noted the following deficiencies:

- For 8 vendors, we were unable to review documentation that the school verified if the vendors were not suspended or debarred.
- For 6 vendors, there were no proof of offeror's evaluation kept in the procurement file.
- For 4 vendors, the signed contract or purchase order was not kept in the procurement file.
- For 2 vendors, there were no proof of 3 quotes or proof of documentation for attempting to get 3 quotes.

The District did not make any progress in resolving this finding. However, the District is working with the certified Chief Procurement Officer to ensure this issue is resolved in subsequent years.

**Criteria**

Auditing Standards state that the management is responsible for adopting sound accounting policies and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements. Good accounting policies require that the District be able to obtain documentation of contracts as requested as per state procurement code. The District should comply with the procurement code, Section 13-1-1 to 13-1-199, NMSA 1978 requirements required by the Purchasing Act.

**Cause**

The District did not comply with the procurement code, and ensure that all documentation was obtained as requested as per state procurement code.

**Effect**

Without appropriate supporting documentation, the District has no assurance that all revenues and disbursements have been properly authorized and disbursed in accordance with applicable grant agreements and follow good accounting procurement practices. When files are disorganized, this allows for the possibility that noncompliance with the Procurement Code could go unnoticed by management.

**Recommendation**

We recommend that the District implement a process to ensure that all files are complete, and contain up to date documentation required by the New Mexico Procurement Code.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2014-002 Compliance with Procurement Code – Bids (Repeated/Modified) – Other Matter -  
(Cont'd)**

**Management Response**

The business office has a new CPO and management is working on revising the procurement procedures to make sure that required documentation is kept, and the procurement code is followed. Training has been provided to EPS staff that participates in the procurement process.

**Estimated Completion Date**

Process has been implemented.

**Responsible party**

Superintendent, CPO and management

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016

**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2015-001 Internal Control over Cash Disbursement (Material Weakness) (Repeated/Modified)**

**Condition**

During our testwork of disbursements, we noted the following deficiencies:

**General Disbursement**

- For 3 out of 50 samples, totaling \$35,574 with each more than the threshold amount required to request three oral or written quotes, the school district did not request oral or written quotes.
- For 1 out of 50 samples, totaling \$3,000 the purchase requisition form was not properly signed.

**Travel Disbursement**

- In 6 out of 30 instances totaling \$3,126, travel authorization forms/expense reports were not properly authorized, recorded and classified.

The District did make progress in resolving this finding and is also working on this issue to ensure this is resolved in subsequent years.

**Criteria**

Good accounting and internal control practices require that all disbursements must originate with authorizing documents, and be supported by properly approved documents such as purchase orders, bills, petty cash reimbursement forms, payroll and time records, leases, contracts, or other supporting documents,. In addition, according to NMSA 1978 Section 6-6-3, the District is expected to conform to the rules and regulations that they have adopted relating to internal controls.

**Cause**

Policies and procedures that the District has adopted for cash disbursement transactions are not being enforced. The District staff failed to ensure that all of the required documentation to support expenditures were in place prior to final disbursement of funds. Completing the purchase order after the purchase has been made defeats the purpose of the purchase order and purchase requisition. Such documents should be completed prior to the purchase.

**Effect**

The lack of enforcing the District's policies and procedures may result in a non-authorized or incorrect calculations of invoices. Also, when purchases are made without proper authorization, items could be procured that are inappropriate and/or unallowed, and the risk of misappropriation is increased.



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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -**  
**(CONT'D)**

**2015-001 Internal Control over Cash Disbursement (Material Weakness) (Repeated/Modified) -**  
**(Cont'd)**

**Recommendation**

The District must enforce policies and procedures that are set in place for the purchase of goods and/or services, and ensure that the vendor invoices are being checked for accuracy prior to payment. We also recommend training employees on proper purchasing procedures.

**Management Response**

Management has implemented new procedures. Staff originating a request for a purchase order needs to have proper documentation such as quotes, schedule of games, or list of items with prices and a supervisor signature when submitting a PO request to the procurement department. The staff in the procurement office reviews the requisition and supporting documentation; if the documentation is correct, goes to the next level of review and approval in the procurement department. Next, the business manager reviews the request and supporting documents, if documents are in compliance, a PO is created by the CPO. Request over \$1,000 are sent to NM PED for review and approval after business manager reviews and approves. If the request is approved by NM PED, the CPO will create the PO. The business office has provided training for school managers and Principals in the new process emphasizing that purchases of goods or procuring services have to have a PO in place before ordering or starting work. When processing payments a second tier or review for proper documentation and approvals has been added. Staff prepares payment packages with the required documentation and brings the package to the AP analyst. The analyst reviews the request and enters the information in the system to prepare the payment voucher. The voucher payment is reviewed by the business manager and processed for payment. The staff has been trained on the requirements of the travel and per diem policy. A new CPO has been assigned to make sure the district's procurement process is in accordance with the state procurement code.

**Estimated Completion Date**

Procedures have been implemented.

**Responsible party**

Business office management, CPO, and Superintendent.

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2016-001 Journal Entries (Significant Deficiency)**

**Condition**

Journal entries are being posted to the District's accounting system without review or approval from an independent source.

**Criteria**

Good accounting policies and procedures require manual journal entries that are being posted to the accounting system be reviewed and approved by someone other than the employee preparing the journal entry.

**Cause**

The District does not follow proper procedures regarding journal entries.

**Effect**

The lack of approval of non-routine journal entries leaves the District open to mistakes not being found in a timely manner.

**Recommendation**

We recommend that the District implement a policy where all non-routine journal entries must be initiated by one employee and approved by another.

**Management Response**

The JE process has been revised and changed. JEs are entered by a staff and reviewed by somebody else.

**Estimated Completion Date**

Process has been implemented.

**Responsible party**

Business office management

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2016-002 Internal Controls over Receipts (Significant Deficiency)**

**Condition**

During testwork over the receipting process, we noted the following:

**Gate Game Revenue**

- In 3 out of 25 receipts totaling \$1,296, the money was not deposited into the bank within 24 hours of receipt.
- In 6 out of 25 receipts totaling \$7,336, proper supporting documents was not maintained.

**Candy Sale Revenue**

- In 4 out of 25 receipts totaling \$10,469, the money was not deposited into the bank within 24 hours of receipt.
- In 3 out of 25 receipts totaling \$7,948, proper supporting documents were not maintained.
- In 2 out of 25 receipts totaling \$3,968, there was a lack of segregation of duties related to the counting of money.

**Miscellaneous Revenue**

- In 1 out of 30 receipts totaling \$1,500, the money was not deposited into the bank within 24 hours of receipt.
- In 1 out of 30 receipts totaling \$1,053, proper supporting documents was not maintained.

**Criteria**

Internal control system on revenue recognition requires that all receipts are maintained with adequate supporting documentation in order to be processed further. A good system of internal accounting control requires adequate segregation of duties so that no one individual handles a transaction from its initiation to completion. Additionally, according to Section 6.20.2.14 of NMAC, money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

**Cause**

The District does not have a proper control structure in place to adequately document and monitor all cash receipts.

**Effect**

Non-adherence to state statutes places the District in noncompliance, and lack of timeliness of deposits or failure to receipt all cash received could subject the District to a possible occurrence of fraud. Gate game and candy sale revenue related weak controls have resulted in losses in the past, and they have not been adequately addressed.

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2016-002 Internal Controls over Receipts (Significant Deficiency) - (Cont'd)**

**Recommendation**

The District should familiarize responsible employees with the New Mexico Administrative Code relating to Public Schools in order to ensure compliance with regulations and implement pre-numbered receipts into their receipting process. We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. Additionally, the District should follow its internal controls over receipts that are in place, and perform periodic reviews of the proper documentation to ensure that they are operating effectively.

**Management Response**

Business office management and staff have trained school site employees in charge of receiving money regarding compliance with State Statutes. The 24 hour deposit rule has been widely communicated to all sites. Segregation of duties regarding receiving, counting, and depositing funds has been covered and explained to all staff in charge of receiving funds.

**Estimated Completion Date**

Process has been implemented at school sites.

**Responsible party**

Business office management and staff as well as school principals and school managers are responsible.

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT - (CONT'D)**

**2016-003 Budgetary Conditions (Non Compliance)**

**Condition**

The District has expenditure functions in which actual expenditures exceeded budgetary authority in the following funds:

<u>Funds</u>	<u>Functions</u>	<u>Amount</u>
Preschool IDEA-B(24109)	Student transportation	\$ 12,193
Title II IASA(Math/Science)(24115)	Instruction	450
Title 111-English Language Acquisition(24153)	Support services- Student	94
Carl D Perkins Spec. Proj. - Current(24174)	Instruction	1,705
Capital Improvements SB-9(31700)	Support Services- General Administration	112
Debt Service(41000)	Support Services- General Administration	2,336
Total Ed. Tech. Debt Service Subfund(43000)	Support Services- General Administration	\$ 560

**Criteria**

Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. Schools legal level of control is determined by expenditure function.

**Cause**

The District did not make the appropriate budgetary adjustment requests and transfers to alleviate possible over-expenditure within functions prior to the year-end.

**Effect**

As a result, the District is in non-compliance with New Mexico state law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to cover the over-expenditures.

**Recommendation**

The District must establish a policy of budgetary review at year end, and make the necessary budget adjustment requests (BARs). All BARs and or adjusting journal entries should be requested through the proper process at the Public Education Department, and be approved prior to year end.

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -**  
**(CONT'D)**

**2016-003 Budgetary Conditions (Non Compliance) - (Cont'd)**

**Management Response**

Management is reviewing budget balances and expenditures. A staff member has also been assigned to monitor the budget to ensure compliance with budgetary requirements.

**Estimated Completion Date**

Budget review and monitoring is in place.

**Responsible party**

Business office management

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -**  
**(CONT'D)**

**2016-004 Late Audit Report (Significant Deficiency)**

**Condition**

The District's audit report for the year ended June 30, 2016 was submitted to the State Auditor on September 07, 2017 after the due date of November 15, 2016.

**Criteria**

Audit reports not received on or before the due date of November 15, are considered to be in noncompliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

**Cause**

The District was unable to provide the information necessary to complete an accurate and complete audit by the statutory deadline.

**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 management do not have timely information. In addition, untimely financial statement audits may affect federal and state funding.

**Recommendation**

The District must prepare and provide all necessary information and schedules to the auditors in a timely and accurate manner. In addition, the District must ensure audit procedures are scheduled in a manner which allows for a timely submission of the financial statements to the State Auditor's Office.

**Management Response**

Management changed procedures at the business office to have reviews in place. Year-end procedures were also revised to make sure they were done in a timely manner.

**Estimated Completion Date**

Process is in place.

**Responsible party**

Business office management and Superintendent.

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT - (CONT'D)**

**2016-005 Deficiencies in Accounting for Capital Assets - (Material Weakness)**

**Condition**

The District did not maintain an accurate calculation of the depreciation expense. An asset listing as of June 30, 2016, has been compiled, resulting in a prior period adjustment relating to capital assets of \$717,879 in the Governmental Activity. This adjustment resulted from a Visions system error for which the School District had to contact the software provider. However, there is a possibility of misappropriation of assets.

**Criteria**

Section 2.20.1.15 of NMAC requires agencies to properly safeguard assets. All assets within an established materiality limit should be tagged with unique numbers and accounted for on the capital asset listing. Current year expenditures in capital projects accounts should be accounted for on the inventory listing. Assets that have been sold or are no longer serviceable should be deleted from inventory by Section 2.20.1.18 of NMAC.

**Cause**

Improper treatment due to inadequate procedures of fixed assets has caused inaccurate recording.

**Effect**

Inaccurate recording of capital assets will cause the net position to be either under or overstated and possible misappropriation of assets.

**Recommendation**

Set policies and procedures on the record, and the oversight of fixed asset schedule will help in keeping accurate records.

**Management Response**

Year-end rollover was done more than once and adjustments were done improperly. Management has revised the year-end closing procedures to make sure recording and rolling over of transactions is done properly and staff is well informed of the process.

**Estimated Completion Date**

Process in place.

**Responsible party**

Business office management.



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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT - (CONT'D)**

**2016-006 Internal Controls over Bank Reconciliations – Significant Deficiency**

**Condition**

During testwork over cash, we noted that all the bank account reconciliations were not prepared and reviewed in a timely manner. The bank reconciliations provided for our review during the audit did reconcile, with no discrepancies. However, the school district had to reperform some of the bank reconciliations due to variances noted, as well as not being able to reconcile to the PED cash report. These were some of the many reasons why PED took over the school district's financials.

**Criteria**

Section 6.20.2.14(K) NMAC states that bank reconciliations for bank accounts shall be completed on a monthly basis. NMAC 6.20.2.14(K) also states that reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent.

**Cause**

Due to changes in business office staffing in key positions involving the bank reconciliation process, the District had not been up to date on preparing the bank reconciliations for these accounts.

**Effect**

The lack of preparing bank reconciliations on a timely basis and lack of timely review could lead to mistakes and undetected fraud in these accounts.

**Recommendation**

We recommend that the District ensure that all bank reconciliations are prepared within a reasonable time frame after the end of the month. The District should also ensure that the bank reconciliations are reviewed by the business manager and or/assistant superintendent.

**Management Response**

The business office has implemented new processes and reassigned duties to staff. Recording transactions and cash reconciliation has been done in a timely manner. The business office is also in the process of hiring people to be properly staffed to perform the different processes that are needed.

**Estimated Completion Date**

December 2017.

**Responsible party**

Business office Manager

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**SECTION II - CURRENT YEAR AUDIT FINDINGS - FINANCIAL STATEMENTS AUDIT -  
(CONT'D)**

**2016-007 Late Payment of Payroll Taxes – (Material Weakness)**

**Condition**

During our payroll transaction test-work and analysis, we noted a penalty payment to the IRS in the amount of \$46,215. The School District did not maintain proper supporting documentation related to the payment that was made. The auditors were not provided supporting documentation for what this payment was for. We were unable to determine whether this late penalty was related to a prior year's penalties or to FY 2016 penalties.

**Criteria**

Per Internal Revenue Service (IRS) Publication 15, Circular E Employer's Tax Guide, employers must deposit social security, medicare, and withheld income taxes either monthly or semiweekly. In addition, good accounting and internal control practices require that all disbursements must originate with authorizing document and be supported by properly approved documents. According to NMSA 1978 Section 6-6-3, the District is expected to conform to the rules and regulations that they have adopted relating to internal controls.

**Cause**

The District did not properly review payroll to verify that the payroll process is being followed and completed, and IRS obligations were paid timely. The District staff also failed to ensure that all of the required documentation to support payroll expenditures was maintained.

**Effect**

Failure to pay the IRS obligation on time makes the District susceptible to more penalties and creates opportunities for waste, fraud, and abuse.

**Recommendation**

The District should design internal controls, which should include management review, to verify that all federal tax payments are done on time and all related supporting documents are maintained.

**Management Response**

Due to turnover in the business office, supporting documents were missing. EPS is adding a scanning system to file documents. This will help to locate documents easier and faster.

**Estimated Completion Date**

Starting in FY 2017, and should be fully implemented in FY 2018.

**Responsible party**

Business office director and staff.

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**SECTION III. AUDIT FINDINGS AND QUESTIONED COSTS IN RELATION TO FEDERAL AWARDS**

**FA 2016-001 Costs Allowable/Unallowable (Material Weakness)**

**Federal program information:**

<b>Federal agency:</b>	U.S. Department of Education
<b>Title:</b>	Title I - IASA / Title II Teacher/Principal Training & Recruiting
<b>CFDA number:</b>	84.010 / 84.367A
<b>Questioned Costs:</b>	Unknown

**Condition**

During our test work of major program expenditures, we noted the following:

- For 1 out of 50 expenditure samples tested, the travel authorization form was not properly approved.
- For 1 out of 50 expenditure samples tested, proper internal control procedure was not followed. Payment for the goods was made prior to receiving the goods.

**Criteria**

As per 2 CFR 225 - "Cost Principles For State, Local and Indian Tribal Governments", the costs are allowable if they are incurred and necessary and reasonable for proper and efficient performance and administration of Federal awards, allocable to Federal awards under the provisions of this circular, authorized or not prohibited under state or local laws or regulations, Conform to any limitations or exclusions set forth in these principles, federal laws, terms and conditions of the federal award, or other governing regulations as to types or amounts of cost items, consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit, except as otherwise provided for in this circular, be determined in accordance with generally accepted accounting principles, not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or prior period, except as specifically provided by Federal law or regulation, the net of all applicable credits, adequately documented and are reasonable.

**Questioned Cost**

Unknown

**Effect**

The District is not in compliance with 2 CFR 225, which could result in the loss or delay of grant funds.

**Cause**

Federal regulations and guidelines were not always followed or were not in place.

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**SECTION III. AUDIT FINDINGS AND QUESTIONED COSTS IN RELATION TO FEDERAL AWARDS - (CONT'D)**

**FA 2016-001 Costs Allowable/Unallowable (Material Weakness) - (Cont'd)**

**Auditor's Recommendation**

The District should develop and implement stronger internal controls over its accounting of disbursements to ensure that all financial activities are properly processed and recorded. Additionally, the District should implement procedures to make sure the employees adhere to the policies and procedures.

**Management Response**

Management became aware of the payment during a review of expenditures. The payment happened during the summer, and program staff submitted the invoice for payment without making sure that the entire order was received. Management implemented a new process to pay invoices; payments on goods received need to have the packing slip that came with the delivery.

**Estimated Completion Date**

Process has been implemented.

**Responsible party**

Program staff and business office management.

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
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**SECTION IV - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT**

**CS 2014-003 Unapproved purchase order (Significant Deficiency)- Repeated**

**Condition**

For 15 of the 50 disbursements tested totaling \$57,611, we noted that purchases were made prior to the approval of purchase orders. Purchase orders are used to control cash, and to authorize the purchases in accordance with the authorized budget.

The Charter School did not make any progress in resolving this finding. However, the Charter School's management is in the process of reviewing the policy and procedure with the appropriate personnel to ensure this issue is resolved in subsequent years.

**Criteria**

Good internal controls require purchase orders to be approved prior to the purchase or ordering of goods. Authorization for a purchase is acquired through the completion of a purchase order, which is signed by a person given authority over purchase control.

**Cause**

Personnel initiated and/or completed purchases prior to obtaining approval for the purchase.

**Effect**

Any purchases made without prior authorization have the potential to cause cash deficits in the funds from which they are made or violations of the approved budget.

**Recommendation**

The importance of cash controls and adequate planning need to be made clear to all personnel that will be making purchases for the school.

**Management Response**

A new business manager is in place as of July 1, 2017, who is training our office manager, chancellor, and other staff on-the-job how and why it is important to follow internal control policies. This training has not been offered in the past. In addition, our office manager has attended procurement officer training and has a CPO certificate. The new business manager and our procurement officer have put controls in place in the financial management software which prevents purchases and payments from being made without following the proper purchasing process. Staff understands that payments will not be made to any vendor that a purchase was made or services rendered prior to a PO being issued. Hence, the person who made the unauthorized purchase will be financially responsible for the purchase.

**Estimated Completion date**

Office manager attending CPO training and received her CPO certificate on May 23, 2017. On-the job training began July 1, 2017, from the new business manager and continued through to date.

**Responsible Party**

All Carinos staff, business manager

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**SECTION IV - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2015-002 Lack of supporting documentation and Authorization-(Material Weakness)- Repeated**

**Condition**

During our testwork of disbursements, we noted the following deficiencies:

**Travel Disbursement:**

- 2 out of 25 instances totaling \$423 did not have proper supporting documents to review.

**General Disbursement:**

- For 5 out of 50 instances totaling \$4,458, the vendor invoices were not provided for our review.
- For 14 out of 50 instances totaling \$28,999, the purchase orders were not signed.
- For 2 out of 50 instances totaling \$4,814, the purchase orders were not provided for our review.
- For 8 out of 50 instances totaling \$37,557, there was no supporting documentation to review. The School was not able to locate any supporting documentation for these transactions.

**Capital Outlay:**

- 3 out of 8 instances totaling \$10,061, did not have supporting documentations for the capital additions.

**Miscellaneous Revenue:**

- 9 out of 25 receipts totaling \$15,034, proper supporting documentations were not maintained.

The School did not make any progress in resolving this finding.

**Criteria**

Maintenance of adequate supporting documentation for all disbursements, including purchase requisitions, purchase orders, travel authorizations, receiving reports, travel reports, and approval of disbursements are an integral part of a sound internal control system to safeguard the assets, and accomplish timely preparation and submission of financial reports.

NMAC 6.20.2.11 states that an internal control structure shall be established to safe-guard assets and insure proper accurate records. Internal control system on revenue recognition requires that all receipts are maintained with adequate supporting documentation in order to be processed further.

**Cause**

Management did not follow proper internal control procedures over receipt and disbursements. The Charter School staff failed to ensure that all of the required documentation that supports the expenditure and receipt was in place.

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**SECTION IV - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2015-002 Lack of supporting documentation and Authorization-(Material Weakness) - (Cont'd)**

**Effect**

Without proper documentation, there are not adequate controls over revenue and expenditures. The lack of enforcing the Charter School's policies and procedures may result in the non-authorized or incorrect calculations of invoices and also possible misappropriation of assets. The Charter School could be subject to penalties or possible legal action.

**Recommendation**

The Charter School should implement procedures to maintain proper supporting documentation, retain all documents related to revenue and expenditures, and also train personnel to adhere to the policies and procedures.

We also recommend that the Charter School develop and implement stronger internal controls over its accounting of disbursements to ensure that all financial activities are properly processed, recorded and classified.

**Management Response**

The office manager is being trained by the new business manager on how to maintain proper documentation and AP files.

**Estimated Completion Date**

Beginning July 1, 2017 through the FY17 fiscal year with most of the training on internal controls done within the first two months.

**Responsible party**

Office Manager

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**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-001 Non Compliance - PED Cash Report**

**Condition**

The Charter School's cash report to the PED did not agree to the Charter School's general ledger, resulting in a difference of \$6,581. The report did not encompass all necessary information to reconcile the PED report to the Charter School's general ledger. The charter school's bank reconciliation was complete and prepared in a timely manner; this was related to a processing error on the school's financial accounting system.

**Criteria**

According to State regulation 6.20.2.11 (b) (6), NMAC and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger and must be finalized by July 31 following year end.

**Cause**

This is due to lack of oversight by the management. A number of adjusting entries were required to be recorded to correct the cash entries after year end.

**Effect**

The Charter School is not in compliance with NMAC 6.20.2.11 (b) (6) and Regulation SBE-6. Noncompliance may result in poor decision making by the Charter School's governing board.

**Recommendation**

All reports sent to PED must agree to the general ledger and must be finalized prior to the PED's stipulated deadlines. We recommend that all reports be reviewed before being submitted to PED.

**Management Response**

The difference noted is due to a processing error on the school's financial accounting system, AptaFund. Within AptaFund, there is a payroll voucher module utilized to process the cash transactions for payments from deductions from employees' checks from completed payrolls. The issue is not that there is a true variance but that rather several payroll vouchers that were supposed to be rolled from FY17 into FY18 were processed in FY17 with dates that fell after 6/30/17.

**Estimated Completion Date**

Starting July 1, 2017, transactions will be entered correctly in the FMS to ensure the financial reports are correct.



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**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-001 Non Compliance - PED Cash Report - (Cont'd)**

**Responsible party**

The business manager takes responsibility for not ensuring that all payroll vouchers were reflected in the correct fiscal year on the system to avoid a systematic error that creates an apparent variance. The school's books can account 100% for its cash in the bank by fund, through its general ledger, regardless of this difference.

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**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-002 Late Submission of Audit Report (Significant Deficiency)**

**Condition**

The Charter School's audit report for the year ended June 30, 2016 was submitted to the State Auditor on September 07, 2017 after the due date of November 15, 2016.

**Criteria**

Audit reports not received on or before the due date of November 15, are considered to be in noncompliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

**Cause**

The Charter School's District was unable to provide the information necessary to complete an accurate and complete audit by the statutory deadline.

**Effect**

The result was the late submission of the Charter School's audit report for the year ended June 30, 2016. The users of the audited financial statements and the Charter School management do not have timely information. In addition, untimely financial statement audits may affect federal and state funding.

**Recommendation**

The District and the Charter School must prepare and provide all necessary information and schedules to the auditors in a timely and accurate manner. In addition, the District and the Charter School must ensure that audit procedures are scheduled in a manner which allows for a timely submission of the financial statements to the State Auditor's Office.

**Management Response**

As far as the school knows, Cariños is not responsible for the District not submitting information necessary to complete the audit reports by the November 15, 2016 deadline.

**Estimated Completion Date**

As determined by Espanola Public Schools.

**Responsible party**

Business manager, office manager, and administration will provide information to the auditor to complete the audit in time.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-003 Amounts Interfund Receivable/Payable Individual Funds – Significant Deficiency**

**Condition**

Many of the individual funds had amounts shown as an Interfund receivable or payable without any support for those account balances in previous years. During the fiscal year, the School had restated the fund balance in the multiple funds due to incorrect non-cash basis "Interfund receivable/Interfund payable" balances. The restatement is as follows:

<b>Fund Name</b>	<b>Fund Balance Originally Reported 06/30/2015</b>	<b>Restate Interfund Receivable/ Payable</b>	<b>Fund Balance Restated 06/30/2015</b>
Operational Fund - 11000	\$ 217,027	\$ (279,140)	\$ (62,113)
Athletics Fund - 22000	(8,529)	38	(8,491)
Title I - IASA - 24101	(18,909)	18,909	
Entitlement IDEA B - 24106	(45,289)	39,633	(5,656)
Teacher/Principal Training & Recruiting Fund - 24154	(4,173)	(500)	(4,673)
Title XIX Medicaid 3/21 Years Fund - 25153	44,900	(10,639)	34,261
New Mexico reads to Lead K-3 Reading Initiative Fund - 27114	(12,500)	4,616	(7,884)
Kindergarten - Three Plus - 27166	(55,790)	55,790	
Libraries - SB 301 GO Bonds- Laws of 2006 Fund - 27170	328	(328)	
Public School Capital Outlay Fund - 31200	(117,537)	117,537	
Special Capital Outlay - State Fund - 31400	(54,084)	54,084	
	<u>\$ (54,556)</u>		<u>\$ (54,556)</u>

**Criteria**

All transactions posted to the School's books and records need to be properly supported, as the reason and origination of the transaction.

**Cause**

The business office has not ensured that these accounts have been reconciled, adjusted or paid back.

**Effect**

The School's interfund balances are misstated at year end. Also, the risk of fraud, errors, or irregularities not being prevented or detected in a timely manner is high due to the deteriorated nature of their financial information.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-003 Amounts Interfund Receivable/Payable Individual Funds – Significant Deficiency (CONT'D)**

**Recommendation**

We recommend that the School review and incorporate policies and processes to ensure that interfund balances are correctly accounted for.

**Management Response**

Management is in disagreement with the statement that financial information is deteriorated. Financial policies and internal controls exist that limit the risk of loss or fraud. The school's financial accounting system is utilized to ensure that all accounts are reconciled and that any variances noted on the system are identifiable and can be accounted for. In FY16, multiple permanent cash transfer requests were sent to and approved by the PED clearing fund balances from funds that were noted as not having the appropriate requests for reimbursement in previous years. It is not a requirement for the school to book interfund entries to the GL that will simply be reversed in the following year's audit.

**Estimated Completion Date**

Reconciliations and fund tracking are on-going. New business manager is continuing to monitor RFR's and accounts receivable, effective July 1, 2017.

**Responsible party**

BM & Administration

**Auditor Response**

During our audit, the School did not record prior year audited interfund balances in their books. In addition, the individual fund balance was not rolled forward correctly from the prior year. Consequently, a restatement was required to present the interfund balances for each fund correctly.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**SECTION III - CURRENT YEAR AUDIT FINDINGS- FINANCIAL STATEMENTS AUDIT OF COMPONENT UNIT - (CONT'D)**

**CS 2016-004 Capital Asset Listing — Compliance and Internal Control — Material Weakness**

**Condition**

For the year ended June 30, 2016, the School had not maintained a capital asset listing that was reconciled to the general ledger and in compliance with the GASB 34.

**Criteria**

The State Audit Act, 12-6-10 NMSA 1978 requires that the School prepare and maintain an accurate listing of capital assets. The School must have a capital assets management policy to provide accountability for the safeguarding of assets in accordance with GASB 34 and Section 12-2-10 NMSA 1978.

**Cause**

There are no procedures in place to ensure that all capital assets are accounted for in a capital asset inventory listing. Further, the School did not have a system in place to track capital asset additions and deletions, and to calculate and account for depreciation and accumulated depreciation.

**Effects**

Lack of sufficient records results in assets that are not properly safeguarded. Asset identification and location are essential in the prevention of theft and loss of assets due to fraudulent activity. Capital assets cannot be depreciated due to lack of information that is being maintained. As a result, the financial statements of the School may be materially misstated due to the balances of capital assets and accumulated depreciation being materially misstated.

**Recommendation**

The School should develop procedures to ensure that all capital assets are accounted for in a capital asset inventory listing. The School should establish controls over its capital assets in order to safeguard them and establish accountability for their custody and use. (Capital Asset Controls 2.20.1.15, NMAC) Such controls should apply to authorization to acquire fixed assets, receiving purchases, tagging the assets, assigned location, individuals responsible for tracking use and location, and fund and organizational unit fund and organizational unit.

**Management Response**

This was an oversight by the business manager at the time in FY08. All purchases exceeding the \$5,000 will be tested to determine if the purchase should be capitalized and added to the capital asset listing.

**Completion Date**

On-going throughout the year as purchases occur, beginning July 1, 2017. Administration shall notify business manager of all donated/transferred assets of which funds are not paid out. Business manager shall add all assets with a purchase price over \$5,000 the assets list.

**Responsible Party**

BM & Administration

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2016

**SECTION IV - PRIOR YEAR AUDIT FINDINGS**

Financial Statement Findings:

- 2014-002 Procurement Required That Did Not Go Out to Bid – Repeated
- 2014-005 Untimely Distribution of SEG Receipts – Resolved
- 2015-001 Internal Controls over Disbursements (Other Matters) – Repeated

Component Unit Findings:

- CS 2006-004 Budgetary Conditions - Resolved
- CS 2014-003 Unapproved Purchase Order - Revised & Repeated
- CS 2015-001 Lack of Performance Evaluation and Background Check - Resolved
- CS 2015-002 Lack of Supporting Documentation and Authorization - Revised & Repeated

**STATE OF NEW MEXICO  
ESPANOLA PUBLIC SCHOOL DISTRICT  
OTHER DISCLOSURES  
JUNE 30, 2016**

**AUDITOR PREPARED THE FINANCIAL**

Management is responsible for the content of the report and financial statements. It would be preferred and desirable for the District to prepare its own GAAP-basis financial statements; although the District is capable, with guidance, of preparing, reviewing and approving the financial statements, it is felt that the District's personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

**EXIT CONFERENCE**

The contents of this report were discussed on September 05, 2017. The following individuals were in attendance.

**Espanola Public Schools District**

Maria Fidalgo, Contracted Business Director  
Bobbie Gutierrez, Superintendent

**Harshwal & Company, LLP**

Sanwar Harshwal, Managing Partner  
Mariem Tall, Audit Manager  
Albert Hwu, Senior Auditor

**Carinos Charter School**

Vernon Jaramillo, Chancellor  
Corinne Teller, Business Manager  
Dr. Juanita Cata, Board President

**Harshwal & Company, LLP**

Sanwar Harshwal, Managing Partner  
Mariem Tall, Audit Manager  
Albert Hwu, Senior Auditor