



STATE OF NEW MEXICO

GADSDEN INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

JUNE 30, 2015

(WITH AUDITORS' REPORT THEREON)

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Table of Contents		5
Official Roster		9
FINANCIAL SECTION		
Independent Auditors' Report		13
Management's Discussion and Analysis		17
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	A-1	26
Statement of Activities	A-2	28
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	30
Reconciliation of the Balance Sheet to the Statement of Net Position		33
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	34
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		37
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
General Fund	C-1	38
Transportation Fund	C-2	39
Instructional Materials Fund	C-3	40
Food Services Fund	C-4	41
Title I Special Revenue Fund	C-5	42
Statement of Fiduciary Net Position	D-1	43
Statement of Changes in Fiduciary Net Position	D-2	44
Notes to the Financial Statements		45-74
	<u>Schedule</u>	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION		
Schedule of Proportionate Share of the Net Pension Liability		
Educational Retirement Board (ERB) Pension Plan	A-1	77
Schedule of Contributions		
Educational Retirement Board (ERB) Pension Plan	A-2	78
Notes to Required Supplementary Information		79
	<u>Statement</u>	<u>Page</u>
SUPPLEMENTARY INFORMATION		
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	87
Nonmajor Special Revenue Fund Descriptions		90-93
Combining Balance Sheet – Nonmajor Special Revenue Funds	B-1	94-103
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	B-2	104-113

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS
(Continued)

	<u>Statement</u>	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance		
– Budget (Non-GAAP Budgetary Basis) and Actual:		
Athletics Special Revenue Fund	B-3	114
Non-Instructional Support Special Revenue Fund	B-4	115
Migrant Children Education Special Revenue Fund	B-5	116
Entitlement IDEA-B Special Revenue Fund	B-6	117
Discretionary IDEA-B Special Revenue Fund	B-7	118
NM Autism Project Special Revenue Fund	B-8	119
Preschool IDEA-B Special Revenue Fund	B-9	120
IDEA-B Early Intervention Special Revenue Fund	B-10	121
Education of Homeless Special Revenue Fund	B-11	122
IDEA-B Private Schools Share Special Revenue Fund	B-12	123
Fresh Fruit & Vegetables Special Revenue Fund	B-13	124
21 st Century Community Learning Centers Special Revenue Fund	B-14	125
IDEA – B “Risk Pool” Special Revenue Fund	B-15	126
English Language Acquisition Special Revenue Fund	B-16	127
Teacher/Principal Training & Recruiting Special Revenue Fund	B-17	128
Immigrant Funding - Title III Special Revenue Fund	B-18	129
Carl D Perkins Secondary - Current Special Revenue Fund	B-19	130
Carl D Perkins Secondary PY Obligation Special Revenue Fund	B-20	131
Carl D Perkins Secondary Redistribution Special Revenue Fund	B-21	132
Carl D Perkins HSTW - Current Special Revenue Fund	B-22	133
Carl D Perkins HSTW – Unliquidated Special Revenue Fund	B-23	134
Carl D Perkins HSTW – Redistribution Special Revenue Fund	B-24	135
Title XIX Medicaid 3/21 Years Special Revenue Fund	B-25	136
Save the Children Special Revenue Fund	B-26	137
Spaceport GRT Grant - Dona Ana County Special Revenue Fund	B-27	138
The Bridge of Southern New Mexico Special Revenue Fund	B-28	139
Dual Credit Special Revenue Fund	B-29	140
2012 GO Bond Student Library Special Revenue Fund	B-30	141
NM Leads to Read K-3 Initiative Special Revenue Fund	B-31	142
Teacher/School Leader Stipend At-Risk & Advanced Placement Special Revenue Fund	B-32	143
Pre-K Initiative Special Revenue Fund	B-33	144
Breakfast for Elementary Students Special Revenue Fund	B-34	145
Kindergarten - Three Plus Special Revenue Fund	B-35	146
Science Instructional Materials K-12 Special Revenue Fund	B-36	147
Next Generation Assessments Special Revenue Fund	B-37	148
ALD4ALL Kellogg Foundation Special Revenue Fund	B-38	149
Start Smart K-3 Plus Utah State Study Special Revenue Fund	B-39	150
CYFD Parents as Teachers Model Special Revenue Fund	B-40	151
Private Direct Grants Special Revenue Fund	B-41	152
Industrial Revenue Bond Payments in Lieu of Taxes Special Revenue Fund	B-42	153

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2015
TABLE OF CONTENTS
(Continued)

	<u>Statement</u>	<u>Page</u>
Nonmajor Capital Projects Fund Descriptions		157
Combining Balance Sheet – Nonmajor Capital Project Funds	C-1	158-159
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds	C-2	160-161
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Bond Building Capital Project Fund	C-3	162
Public School Capital Outlay Capital Projects Fund	C-4	163
Special Capital Outlay - Local Capital Projects Fund	C-5	164
Special Capital Outlay - State Capital Projects Fund	C-6	165
Capital Improvements SB-9 Capital Projects Fund	C-7	166
Education Technology Equipment Act Capital Projects Fund	C-8	167
Nonmajor Debt Service Fund Descriptions		170
Combining Balance Sheet – Nonmajor Debt Service Funds	D-1	171
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	D-2	172
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Debt Service Fund	D-3	173
Educational Technology Debt Service Fund	D-4	174
Fiduciary Funds:		
Combining Statement of Net Position	E-1	176
Combining Statement of Revenues, Expenses and Changes in Net Position	E-2	177
 SUPPORTING SCHEDULES		
Schedule of Changes in Assets and Liabilities – Agency Funds	I	181
Schedule of Collateral Pledged by Depository for Public Funds	II	182-183
Schedule of Cash and Temporary Investment Accounts	III	185
Cash Reconciliation	IV	186-189
Schedule of Vendor Information	V	190-192
 COMPLIANCE SECTION		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		195
 FEDERAL FINANCIAL ASSISTANCE		
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		201
Schedule of Expenditures of Federal Awards	VI	204-205
Schedule of Findings and Questioned Costs	VII	206

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
OFFICIAL ROSTER
JUNE 30, 2015

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Maria Saenz		President
Craig Ford		Vice President
Jennifer Viramontes		Secretary
Daniel Castillo		Member
Daniel Estupiñan		Member
	<u>School Officials</u>	
Efren Yturralde		Superintendent
Steven W. Suggs		Deputy Superintendent/Chief Financial Officer
Barbara Browder		Executive Associate Superintendent for Human Resources
Richard Chavez		Associate Superintendent for Support Services
Susan Yturralde		Associate Superintendent for Curriculum, Instruction & Technology

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Gadsden Independent Schools
Sunland Park, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and major special revenue funds of Gadsden Independent Schools (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the combining financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital project fund, major debt service fund, 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, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 17 through 24 and Schedules A-1 and A-2 and notes to the Required Supplementary Information on pages 77-79 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 inquires 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 Office of Management and Budget *Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations and Supporting Schedules I through IV required by 2.2.2 NMAC* are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section and schedule V 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 October 5, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 5, 2015

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**State of New Mexico
Gadsden Independent Schools**

Management's Discussion and Analysis

As management of the Gadsden Independent Schools (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2015. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year ended June 30, 2015 are as follows:

- The assets of the District exceeded its liabilities at the end of the fiscal year by \$162,185,114 (net position). Of this amount, \$259,848,604 is invested in capital assets, \$19,458,553 is restricted for capital projects and debt service purposes, \$15,987,109 is restricted for special revenue fund purposes and \$(133,109,152) is unrestricted (deficit). The unrestricted (deficit) portion of the net position was impacted by the recognition of a net pension liability of \$150,245,048 and deferred outflows and inflows of resources of \$10,542,936 and \$17,852,900, respectively, at June 30, 2015.
- The District's total net position increased by \$8,508,480 before the recognition of a prior period adjustment of \$(158,375,793) related to a net pension liability, which is reflected in the District's Statement of Activities.
- The District's liabilities increased by \$147,088,894 in fiscal year 2015. This increase is due to an increase of \$150,245,048 in a net pension liability along with increases in accrued compensated absences, accrued payroll liabilities, unamortized bond premium, and the current portion of bonds payable. These increases were offset by decreases in accounts payable, accrued interest, and the non-current portion of the bonds payable.
- Deferred outflows of resources of \$10,542,936 related to employer contributions subsequent to the measurement date and deferred inflows of resources of \$17,852,900 related to a pension plan are reported in the Statement of Net Position at June 30, 2015. These items are the result of the implementation of GASB 68 as it relates to the District's proportionate share of the NM Educational Retirement Board Pension Plan, a multiple employer cost sharing defined benefit pension plan.
- At June 30, 2015, the fund balance for the general fund was \$25,660,852, which reflects an increase of \$2,668,495. General fund expenditures were managed through careful budget planning throughout the fiscal year which contributed to the increase in the fund balance. The district received additional State Funds in fiscal year 2015, compared to the prior year, which allowed the district to increase the fund balance as well. These two factors resulted in excess revenues over expenditures of \$2,955,547 before operating transfers, which is reflected in the assigned and unassigned fund balance.
- The District's general obligation bond and lease purchase notes debt balance is \$46,955,000, which reflects a \$1,380,000 decrease due to the net offset of issuing new debt and retiring old bonds. Voters authorized new bonds in the amount of \$38,000,000 in an election in February 2014, which allows the District to issue new debt over a four year period beginning with the fiscal year ending June 30, 2015.
- The District implemented GASB 68 which required the District to recognize its proportionate share of the NM Educational Retirement Board Pension Plan. Additional information regarding the impact of this change is reflected in Note 10 of the financial statements.

Basic Financial Statements

In general, the purpose of financial reporting is to provide external parties that read the financial statements with information that will help them to make decisions or draw conclusions about the reporting entity. There are many external parties that read and use the District's financial statements; however, these parties do not always have the same objectives. This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader may understand the District's overall financial position. In accordance with required reporting requirements, the District presents (1) government-wide financial statements and (2) fund financial statements.

**State of New Mexico
Gadsden Independent Schools**

Government-wide financial statements

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

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

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

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

The *government-wide financial statements* can be found in Exhibit A-1 and Exhibit A-2 of this report.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. A reconciliation to facilitate the comparison of the governmental funds and governmental activities has been provided.

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

- General Fund
- Transportation Fund
- Instructional Materials Fund
- Food Services Fund
- Title I – 24101 Fund
- Bond Building Fund
- Debt Service Fund
- Other Governmental Funds

**State of New Mexico
Gadsden Independent Schools**

The first seven funds are considered major funds. Individual fund data for each of the funds included in the Other Governmental Funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found in Exhibit B-1 and Exhibit B-2 of this report.

Fiduciary Funds

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

The fiduciary fund financial statements can be found in Exhibit D-1 and Exhibit D-2 of this report.

Overview of the District’s Financial Position and Operations

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

Gadsden Independent Schools Net Position

	Governmental Activities	
	2015	2014
Current and other assets	\$ 89,715,084	\$ 89,273,574
Capital assets	286,819,721	282,729,686
Deferred outflows of resources	10,542,936	-
Total assets and deferred outflows of resources	\$387,077,741	\$372,003,260
Long-term liabilities	\$187,868,254	\$ 39,700,978
Other liabilities	19,171,473	20,249,855
Deferred inflows of resources	17,852,900	-
Total liabilities and deferred inflows of resources	\$224,892,627	\$ 59,950,833
Net position:		
Invested in capital assets, net of debt	\$259,848,604	\$233,142,015
Restricted for:		
Debt service	14,661,311	14,226,296
Capital projects	4,797,242	28,839,209
Special revenue	15,987,109	14,308,386
Unrestricted (deficit)	(133,109,152)	21,536,521
Total net position	\$162,185,114	\$312,052,427

Total Net position of the District’s governmental activities decreased by 48.0% from 2014. *Unrestricted* net position-the part of net position that is unrestricted in nature and can be used at the discretion of the District and to meet ongoing obligations to creditors and stakeholders, decreased \$(154,645,673) to reflect a deficit of \$(133,109,152). This deficit is the result of the implementation of GASB 68 which requires the District to reflect the net pension liability and related deferred outflows and inflows of resources related to the District’s proportionate share of the NM Educational Retirement Board Pension Plan.

**State of New Mexico
Gadsden Independent Schools**

All other portions of net position are restricted for the stated purpose. The District's net position invested in capital assets, net of related debt reflects an increase of 11.46% from 2014. This indicates that the accumulated depreciation along with the asset value exceed existing debt. Net Position Invested in Capital Assets increased \$26,706,589 due to the cost of completed buildings and building projects being more than depreciation expense. The District continues to utilize local Bond Funds and State Matching Funds to construct new schools and make improvements to existing facilities.

Current and other assets increased from 2014 to 2015 by \$441,510. This increase was primarily due to an increase in cash in the General and Food Services Funds offset by a decrease in cash in the Bond Building Fund. Long-term liabilities increased by \$148,167,276 primarily due to an increase in net pension liability of \$150,245,048 with an offsetting decrease in the Accounts Payable for the Bond Building Fund and Bonds Payable which is the result of the net of the issuance of new debt and the retirement of existing debt that occurred in the fiscal year ended June 30, 2015. The District's Statement of Net Position also reflects increases in Deferred outflows of resources of \$10,542,936 and Deferred inflows of resources of \$17,852,900 as a result of the implementation of GASB 68 as it applies to the District's participation in the NM Educational Retirement Board Pension Plan

Governmental activities increased the District's net position by \$8,508,480 before a prior period adjustment of \$(158,375,793) related to the recognition of a net pension liability. This increase, before the prior period adjustment, is related to the District's recognition of State Matching Funds in Capital Grants and Contributions with other Program Revenue categories remaining relatively stable compared to 2014. Governmental activities expense increased compared to 2014 expenses, which reflects an increase in expenses related to state funded salary increases. The District also experienced an increase in the general revenues compared to 2014. Another important fact is the District's liquidity which is the ability to convert assets into cash to pay for obligations and commitments. Unrestricted and Restricted Cash and cash equivalents represent approximately 88% of the District's current and other assets.

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

Gadsden Independent Schools Changes in Net Position

	Governmental Activities	
	2015	2014
Revenues:		
Program revenues:		
Charges for services	\$ 1,184,964	\$ 1,033,735
Operating grants and contributions	35,952,262	35,417,173
Capital grants and contributions	12,405,858	41,285,711
General revenues:		
Local property taxes	14,452,346	13,771,429
Federal and state aid	99,687,556	96,483,480
Interest and investment earnings	25,161	41,985
Loss on disposal of assets	(2,462,791)	-
Other	83,922	1,317,346
Total revenues	\$161,329,278	\$189,349,954

**State of New Mexico
Gadsden Independent Schools**

Gadsden Independent Schools Changes in Net Position (continued)

Expenses:		
Direct Instruction	\$ 83,989,087	\$ 81,950,748
Support services-Student/Instruction/School Admin	26,154,977	25,528,459
Support services-General Administration/Other	1,241,608	1,309,764
Central Services	2,641,398	2,526,523
Operation and maintenance of plant	19,234,731	18,649,770
Food Services	9,673,604	9,030,883
Community Service	260,952	208,285
Student Transportation	6,057,581	5,651,248
Interest on long-term debt	941,966	1,082,519
Depreciation-facilities acquisition and construction	2,624,894	2,716,161
	<hr/>	<hr/>
Total expenses	\$152,820,798	\$148,654,360
	<hr/>	<hr/>
Change in net position	\$ 8,508,480	\$ 40,695,594
Net position – beginning – July 1	312,052,427	156,968,264
Prior period adjustment	(158,375,793)	114,388,569
	<hr/>	<hr/>
Net position – ending – June 30	\$162,185,114	\$312,052,427
	<hr/>	<hr/>

As noted in the preceding schedule, the District is heavily dependent on federal and state aid which comprises 62% of total revenues. In addition the District received \$9,238,678 from State Capital Outlay Matching funds included in Operating Grants and Contributions which represents 6% of total revenues. Correspondingly, it spends almost 72% of total expenditures on direct instruction and support services-student/instruction/school admin., the two primary functions that indicate direct school spending.

Revenues from local sources remained relatively stable. The District experienced an increase of \$680,917 in property tax revenues. Federal and State Aid, Operating Grants and Contributions, and Other sources experienced an increase of \$2,505,741 compared to 2014. This increase is largely due to increases in Federal and State Aid for 2015. Due to the economic factors of the communities we serve, the District qualifies for substantial Federal assistance. The ability to obtain Capital Funding from the State is related to the student growth that the District experiences as well as the ranking of its facilities by the NM Public School Facility Authority which determines when facilities are to be replaced, upgraded, or added.

The major funds noted similar variances when comparing 2014 to 2015. The Debt Service Fund has increased as a direct result of the changes in long term debt. The Bond Building Fund decreased due to the completion of construction projects as well as the status of constructions projects currently in progress.

General Fund Budgetary Highlights

Budget to actual comparison schedules are presented for all major funds in Exhibits C-1 to C-5, Statement C-3 and Statement D-3. In addition, budget to actual comparison schedules were presented for each individual non-major fund in the supplementary information section of this report in Statements B-3 to B-42, Statements C-4 to C-8 and Statement D-4. These schedules are prepared on a non-GAAP budgetary basis which is the format allowed by the District's oversight agency, the New Mexico Public Education Department.

**State of New Mexico
Gadsden Independent Schools**

The original expenditure budget for the District's general fund was increased by \$7,322,220 due to changes in the designated cash balance available for budgeting. The final expenditure budget was \$118,764,767, of which \$98,042,896 was expended in the current year. Of the almost \$101 million revenue budget, 101% of the budgeted amount was received during the year.

The District continues to maintain a strong financial position in the food services fund and the debt service fund.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets as of June 30, 2015 is \$286,819,721. These assets include land and land improvements, building and building improvements, equipment and furniture, vehicles, and construction in progress. Construction in progress consisted of major construction projects currently underway in the District which includes additions and improvements to an existing high school, one elementary school located in the community of Sunland Park, a new elementary school in the community of Chaparral and other various remodel/addition projects throughout the District. Capital Assets increased approximately 1.4% from the prior year due to adding the value of matching construction costs received from the State of New Mexico and the status of completed construction projects compared to the prior year.

Depreciation calculated during years 2006 through 2015 as a result of GASB 34 implementation resulted in a balance of \$117,759,448 of which \$13,605,569 is for depreciation in the current year. Additional information of the District's capital assets is presented in Note 6 of the financial statements.

Long-term obligations

At the end of the current year, the district had \$48,398,729 in long-term debt related to governmental activities. Of this debt, \$44,955,000 was related to general obligation bonds and \$2,000,000 was related to educational technology lease purchase notes outstanding at year end. The debt position of the District is summarized below and is more fully analyzed in Note 7 of the financial statements.

Governmental Activities					
	Balance 7/1/15	Additions	Deletions	Balance 6/30/15	Amounts Due In One Year
Compensated Absences	\$ 1,295,769	\$ 621,383	\$ 473,423	\$ 1,443,729	\$ 510,609
Lease Purchase Notes	3,750,000	-	1,750,000	2,000,000	2,000,000
General Obligation Bonds	44,585,000	9,500,000	9,130,000	44,955,000	9,705,000
Total Long Term Debt	<u>\$49,630,769</u>	<u>\$10,121,383</u>	<u>\$11,353,423</u>	<u>\$48,398,729</u>	<u>\$12,215,609</u>

The District issued General Obligation Bonds in the amount of \$9,500,000 in October 2014. On August 15, 2014 and June 1, 2015 the District reduced the general obligation bond debt principal by \$8,555,000 and \$575,000, respectively, in accordance with scheduled bond payments.

Overall, the District decreased its debt balances by \$1,232,040, which was due to the issuance of new bonds and offset by an increase in compensated absences and the debt payment activity described above.

**State of New Mexico
Gadsden Independent Schools**

The most recent issuances by the District have received the following credit ratings:

- The \$8,770,000 bonds issued in October 2002 received a Moody's rating of Aaa, and an A3 Underlying rating.
- The \$9,800,000 bonds issued in September 2003 received an upgraded Moody's rating of Enhanced Aa2 and an A3 underlying rating. The upgrade in rating was partly due to recent legislative action that guarantees payment to the bond holders in the event of default by the District.
- The \$8,000,000 bonds issued in September 2004 received a Moody's rating of Aa2.
- The \$3,200,000 bonds issued in August 2005 received a Moody's rating of Enhanced Aa2 and an A3 underlying rating.
- The \$12,250,000 bonds issued in November 2006 were privately placed with the New Mexico Finance Authority.
- The \$8,900,000 bonds issued in September 2007 were privately placed with the New Mexico Finance Authority.
- The \$7,000,000 bonds issued in August 2008 received a Moody's rating of Enhanced Aa2 and a Baa1 underlying rating.
- The \$9,075,000 bonds issued in November 2009 were privately placed with the New Mexico Finance Authority.
- The \$7,250,000 bonds issued in November 2010 were privately placed with the New Mexico Finance Authority.
- The \$8,250,000 bonds and \$12,300,000 bonds issued in October 2011 received a Moody's rating of Enhanced Aa1/NEG and a Baa1 underlying rating.
- The \$11,000,000 bonds and \$1,180,000 bonds issued in December 2012 received a Moody's rating of Enhanced Aa1/NEG and an A3 underlying rating.
- The \$9,500,000 bonds issued in October 2013 received a Moody's rating of Enhanced Aa1 and an A2 underlying rating.
- The \$9,500,000 bonds issued in October 2014 received a Moody's rating of Enhanced Aa1 and an A2 underlying rating.

Relevant Current Economic Factors, Decisions and Conditions

The District has begun to experience a slowing in the growth in student population, which has an effect on the amount of state revenues as well as on future construction needs. Since the District, like all other New Mexico school districts, is funded on a prior year funding formula, (i.e. the student population from this year will determine the amount of funding received in the following year), it must maintain tight budgetary controls in order to meet current year needs with the prior year's funding base. The District's primary general source of revenues is derived from the state funding formula. The District anticipates that the student population will remain at the same level.

Even with a slowing in growth of the overall student population, growth continues in the southern and Chaparral areas of the District, the need exists to continue to add new schools and/or construct major additions to its existing schools.

**State of New Mexico
Gadsden Independent Schools**

With respect to property taxes, the District's tax rate has remained stable over the last few years due to the bond program implemented by the District. As old debt is retired, new debt is issued, thereby maintaining a non-residential rate of approximately \$14.4 per \$1,000 assessed valuation.

In February 2003 new bonds in the amount of \$21 million were approved by voters, as well as a \$2.00 mill levy for capital improvements. In August 2003, \$9.8 million of these bonds were sold, in August 2004, an additional \$8 million bonds were sold and the balance of this authorization, \$3.2 million were sold in August 2005.

In February 2006 new bonds in the amount of \$38,000,000 were approved by voters, as well as the continuation of the \$2.00 mill levy for capital improvements. This debt authorization was sold over a four year period from 2006 to 2009. In November 2006, \$12.25 million of these bonds were sold, in September 2007, \$8.9 million of these bonds were sold, in August 2008, \$7.0 million of these bonds were sold and in November 2009, \$9.075 million of these bonds were sold. The remaining authorized amount of \$775,000 will not be issued due to the lack of adequate bonding capacity and the expiration of the authorization period.

In February 2010 new bonds in the amount of \$36,000,000 were approved by voters. This debt authorization was sold over a four year period from 2010 to 2013. \$7,250,000 of this debt authorization was sold in 2010. \$8,250,000 of this debt authorization was sold in 2011, \$11,000,000 of this debt authorization was sold in 2012 and the remaining debt authorization amount of \$9,500,000 was sold in 2013.

In February 2014 new bonds in the amount of \$38,000,000 were approved by voters. This debt authorization will be sold over a four year period from 2014 to 2017. \$9,500,000 of this debt authorization was sold in 2014. It is anticipated that \$9,500,000 will be issued in 2015. The remaining amount to be issued will be dependent on the available bonding capacity which is impacted by the assessed valuation of the property within the boundaries of the District.

In February 2012 the continuation of the \$2.00 mill levy for capital improvements was approved by voters.

Continuing construction needs due to changes in the student population as well as aging of facilities requires funding from taxpayers as well as continued support through direct legislative appropriations and legislative funded matching funds from the State.

Request for Information

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

Steven W. Suggs, CPA
Chief Financial Officer
(575) 882-6243
ssuggs@gisd.k12.nm.us

Physical Address:
4950 McNutt
Sunland Park, NM 88063

Mailing Address:
P. O. Drawer 70
Anthony, NM 88021

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2015

Exhibit A-1
(Page 1 of 2)

	Primary Government Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 41,320,660
Property taxes receivable	2,502,497
Intergovernmental receivables	6,953,533
Other receivables	1,323
Inventory	859,250
Total current assets	51,637,263
Noncurrent assets:	
Restricted cash and cash equivalents	37,924,923
Bond underwriter discounts (net of amortization of \$71,685)	152,898
Capital assets (net of accumulated depreciation):	
Land	2,559,939
Land Improvements	14,286,965
Buildings and building improvements	373,257,762
Furniture, fixtures and equipment	12,066,086
Construction in progress	2,408,417
Less: accumulated depreciation	(117,759,448)
Total noncurrent assets	324,897,542
Total assets	376,534,805
DEFERRED OUTFLOWS OF RESOURCES	
Employer contributions subsequent to the measurement date	10,542,936
Total deferred outflows of resources	10,542,936
Total assets and deferred outflows of resources	\$ 387,077,741

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2015

Exhibit A-1
(Page 2 of 2)

	Primary Government Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 1,072,094
Accrued payroll liabilities	5,536,792
Deposits held for others	1,023
Accrued interest	345,955
Current portion of bonds and lease purchase notes payable	11,705,000
Accrued compensated absences	510,609
Total current liabilities	19,171,473
Noncurrent liabilities:	
Bond underwriter premiums (net of amortization of \$1,484,325)	1,440,086
Bonds and lease purchase notes payable	35,250,000
Accrued compensated absences	933,120
Net pension liability	150,245,048
Total noncurrent liabilities	187,868,254
Total liabilities	207,039,727
DEFERRED INFLOWS OF RESOURCES	
Change in proportion	1,956,832
Actuarial experience	2,238,123
Investment experience	13,657,945
Total deferred inflows of resources	17,852,900
NET POSITION	
Net investment in capital assets	259,848,604
Restricted for:	
Debt service	14,661,311
Capital projects	4,797,242
Special revenue	15,987,109
Unrestricted (deficit)	(133,109,152)
Total net position	162,185,114
Total liabilities, deferred inflows of resources, and net position	\$ 387,077,741

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>
Primary Government			
Governmental activities:			
Education:			
Instruction	\$ 83,989,087	\$ 956,748	\$ 15,418,387
Support services:			
Students	12,838,515	-	4,263,730
Instruction	6,545,552	-	632,595
General Administration	1,079,649	-	-
School Administration	6,770,910	-	-
Other Support Services	161,959	-	-
Central Services	2,641,398	-	-
Operation & Maintenance of Plant	19,234,731	14,980	388,304
Student Transportation	6,057,581	-	5,216,133
Food Services Operation	9,673,604	213,236	10,033,113
Community Services	260,952	-	-
Interest on long-term debt	941,966	-	-
Depreciation - unallocated	2,624,894	-	-
Total governmental activities	<u>152,820,798</u>	<u>1,184,964</u>	<u>35,952,262</u>

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

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Governmental Activities</u>
\$ -	\$ (67,613,952)
-	(8,574,785)
-	(5,912,957)
-	(1,079,649)
-	(6,770,910)
-	(161,959)
-	(2,641,398)
12,405,858	(6,425,589)
-	(841,448)
-	572,745
-	(260,952)
-	(941,966)
-	(2,624,894)
<u>12,405,858</u>	<u>(103,277,714)</u>

General Revenues:

Property taxes:	
Levied for general purposes	\$ 351,235
Levied for debt service	12,372,778
Levied for capital projects	1,728,333
State Equalization Guarantee	99,687,556
Unrestricted investment earnings	25,161
Miscellaneous	374,316
Loss on Disposal of Assets	(2,462,791)
Return of funds to PED	(290,394)
Total general revenues	<u>111,786,194</u>
Change in net position	8,508,480
Net position - beginning	312,052,427
Prior period restatement	(158,375,793)
Net Position - beginning (restated)	<u>153,676,634</u>
Net position - ending	<u>\$ 162,185,114</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	Operational Fund			
	General 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS:				
Cash and cash equivalents	\$ 25,188,346	\$ 11,834	\$ 609,656	\$ 11,767,794
Accounts receivable				
Taxes	58,173	-	-	-
Intergovernmental receivables	28,596	-	-	178,804
Interfund receivables	4,937,733	-	-	-
Other	1,323	-	-	-
Inventory	435,835	-	-	423,415
Total Assets	30,650,006	11,834	609,656	12,370,013
LIABILITIES:				
Accounts payable	293,817	9	402	42,965
Accrued payroll liabilities	4,646,476	2,684	-	169,933
Deposits held for others	1,023	-	-	-
Interfund payables	-	-	-	-
Total Liabilities	4,941,316	2,693	402	212,898
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	47,838	-	-	-
Unavailable revenue-grants	-	-	-	178,804
Total Deferred Inflows of Resources	47,838	-	-	178,804
FUND BALANCES:				
Nonspendable	435,835	-	-	423,415
Spendable:				
Restricted	-	9,141	29,720	3,722,088
Committed	-	-	-	-
Assigned	14,825,391	-	579,534	7,832,808
Unassigned (deficit)	10,399,626	-	-	-
Total Fund Balances	25,660,852	9,141	609,254	11,978,311
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 30,650,006	\$ 11,834	\$ 609,656	\$ 12,370,013

The accompanying notes are an integral part of these financial statements

Title I 24101	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Primary Government
\$ -	\$ 21,024,690	\$ 10,336,100	\$ 10,307,163	\$ 79,245,583
-	-	1,824,114	620,210	2,502,497
3,045,619	-	-	3,700,514	6,953,533
-	-	-	-	4,937,733
-	-	-	-	1,323
-	-	-	-	859,250
<u>3,045,619</u>	<u>21,024,690</u>	<u>12,160,214</u>	<u>14,627,887</u>	<u>94,499,919</u>
175	369,607	-	365,119	1,072,094
286,093	-	-	431,606	5,536,792
-	-	-	-	1,023
2,759,351	-	-	2,178,382	4,937,733
<u>3,045,619</u>	<u>369,607</u>	<u>-</u>	<u>2,975,107</u>	<u>11,547,642</u>
-	-	1,502,490	509,276	2,059,604
2,035,464	-	-	1,204,885	3,419,153
<u>2,035,464</u>	<u>-</u>	<u>1,502,490</u>	<u>1,714,161</u>	<u>5,478,757</u>
-	-	-	-	859,250
-	3,803,487	10,657,724	3,354,559	21,576,719
-	-	-	67,805	67,805
-	16,851,596	-	6,760,294	46,849,623
(2,035,464)	-	-	(244,039)	8,120,123
<u>(2,035,464)</u>	<u>20,655,083</u>	<u>10,657,724</u>	<u>9,938,619</u>	<u>77,473,520</u>
<u>\$ 3,045,619</u>	<u>\$ 21,024,690</u>	<u>\$ 12,160,214</u>	<u>\$ 14,627,887</u>	<u>\$ 94,499,919</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS

Exhibit B-1
 (Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
 JUNE 30, 2015

	Governmental Funds
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund Balances - Total Governmental Funds	\$ 77,473,520
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	286,819,721
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred inflows of resources in the fund financial statements, but are considered revenue in the Statement of Activities	2,059,604
Unavailable deferred revenues from grant funds not reimbursed within sixty days after year end are not considered "available" revenues and are considered to be deferred inflows of resources in the fund financial statements, but are considered revenue in the Statement of Activities	3,419,153
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds:	
Deferred outflows of resources related to employer contribution subsequent to the measurement date	10,542,936
Deferred inflows of resources related to change in proportion	(1,956,832)
Deferred inflows of resources related to actuarial experience	(2,238,123)
Deferred inflows of resources related to investment experience	(13,657,945)
Bond original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds:	
Bond underwriter discounts net of accumulated amortization	152,898
Bond underwriter premiums net of accumulated amortization	(1,440,086)
Accrued interest is not due and payable with current financial resources and, therefore, is not reported in the funds	(345,955)
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	(1,443,729)
General obligation bonds and lease purchase notes	(46,955,000)
Net pension liability	(150,245,048)
Net Position - Total Governmental Activities	\$ 162,185,114

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Operational Fund			
	General 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
<i>Revenues:</i>				
Property taxes	\$ 343,809	\$ -	\$ -	\$ -
State grants	99,687,556	5,216,133	951,080	209,098
Federal grants	401,218	-	-	9,165,282
Charges for services	311,368	-	10,273	213,236
Miscellaneous	253,649	-	-	-
Interest	5,921	-	-	1,678
<i>Total revenues</i>	<u>101,003,521</u>	<u>5,216,133</u>	<u>961,353</u>	<u>9,589,294</u>
<i>Expenditures:</i>				
Current:				
Instruction	63,230,338	-	590,529	-
Support Services				
Students	9,459,826	-	-	-
Instruction	4,393,324	-	-	-
General Administration	490,813	-	-	-
School Administration	6,177,190	-	-	-
Central Services	2,193,538	-	-	-
Operation & Maintenance of Plant	11,898,770	-	-	-
Student Transportation	-	5,208,391	-	-
Other Support Services	150,901	-	-	-
Food Services Operations	9,976	-	-	8,527,944
Community Service	43,298	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Costs	-	-	-	-
<i>Total expenditures</i>	<u>98,047,974</u>	<u>5,208,391</u>	<u>590,529</u>	<u>8,527,944</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>2,955,547</u>	<u>7,742</u>	<u>370,824</u>	<u>1,061,350</u>
<i>Other financing sources (uses):</i>				
Proceeds from bond issues	-	-	-	-
Premiums on bonds issued	-	-	-	-
Return of cash to PED	(287,052)	(1,399)	-	-
<i>Total other financing sources (uses)</i>	<u>(287,052)</u>	<u>(1,399)</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>2,668,495</u>	<u>6,343</u>	<u>370,824</u>	<u>1,061,350</u>
<i>Fund balances - beginning of year</i>	<u>22,992,357</u>	<u>2,798</u>	<u>238,430</u>	<u>10,916,961</u>
<i>Fund balances - end of year</i>	<u>\$ 25,660,852</u>	<u>\$ 9,141</u>	<u>\$ 609,254</u>	<u>\$ 11,978,311</u>

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

Title I 24101	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Primary Government
\$ -	\$ -	\$ 10,299,295	\$ 3,592,304	\$ 14,235,408
-	9,238,678	-	6,650,363	121,952,908
6,352,552	-	-	6,998,341	22,917,393
-	12,615	-	635,107	1,182,599
-	-	-	901,101	1,154,750
-	15,825	-	1,737	25,161
<u>6,352,552</u>	<u>9,267,118</u>	<u>10,299,295</u>	<u>18,778,953</u>	<u>161,468,219</u>
6,678,710	-	-	7,453,963	77,953,540
864,792	-	-	1,625,768	11,950,386
411,209	-	-	1,273,197	6,077,730
142,644	-	102,702	261,971	998,130
1,791	-	-	117,360	6,296,341
241,601	-	-	27,013	2,462,152
11,826	-	-	20,177	11,930,773
35,267	-	-	349,477	5,593,135
-	-	-	-	150,901
-	-	-	479,929	9,017,849
-	-	-	198,977	242,275
-	19,835,908	-	6,595,359	26,431,267
-	-	9,130,000	1,750,000	10,880,000
-	-	1,255,674	18,628	1,274,302
-	-	27,572	-	27,572
<u>8,387,840</u>	<u>19,835,908</u>	<u>10,515,948</u>	<u>20,171,819</u>	<u>171,286,353</u>
<u>(2,035,288)</u>	<u>(10,568,790)</u>	<u>(216,653)</u>	<u>(1,392,866)</u>	<u>(9,818,134)</u>
-	9,500,000	-	-	9,500,000
-	-	327,341	-	327,341
(176)	-	-	(1,767)	(290,394)
<u>(176)</u>	<u>9,500,000</u>	<u>327,341</u>	<u>(1,767)</u>	<u>9,536,947</u>
<u>(2,035,464)</u>	<u>(1,068,790)</u>	<u>110,688</u>	<u>(1,394,633)</u>	<u>(281,187)</u>
-	21,723,873	10,547,036	11,333,252	77,754,707
<u>\$ (2,035,464)</u>	<u>\$ 20,655,083</u>	<u>\$ 10,657,724</u>	<u>\$ 9,938,619</u>	<u>\$ 77,473,520</u>

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

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Exhibit B-2
(Page 2 of 2)

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net Change in Fund Balances - Total Governmental Funds	\$ (281,187)
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	(13,605,569)
Capital Outlays	20,158,395
Loss on disposition of assets	(2,462,791)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred inflows of resources related to property taxes receivable	216,938
Change in deferred inflows of resources related to grants	2,397,306
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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Amortization of bond premiums/(discounts)	292,824
Premium on bonds issued	(327,341)
Decrease in accrued interest payable	67,084
Increase in accrued compensated absences	(147,960)
Bond proceeds	(9,500,000)
Principal payments on bonds	10,880,000
Expenditures in the statement of activities that do not provide current financial resources are not reported as expenditures in the funds	
Governmental funds report District 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	10,542,936
Pension expense	(9,722,155)
Change in Net Position - Total Governmental Activities	\$ 8,508,480

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
GENERAL FUND

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 334,421	\$ 334,421	\$ 342,859	\$ 8,438
State grants	99,598,476	99,598,476	99,687,556	89,080
Federal grants	8,000	8,000	401,218	393,218
Miscellaneous	112,000	112,000	253,649	141,649
Charges for Services	109,000	109,000	282,772	173,772
Interest	4,000	4,000	5,921	1,921
<i>Total revenues</i>	<u>100,165,897</u>	<u>100,165,897</u>	<u>100,973,975</u>	<u>808,078</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	66,922,467	68,564,456	63,229,743	5,334,713
Support Services				
Students	10,265,063	10,280,098	9,461,266	818,832
Instruction	4,553,287	4,802,118	4,394,173	407,945
General Administration	750,927	786,443	506,202	280,241
School Administration	6,848,280	6,870,792	6,177,197	693,595
Central Services	2,405,948	2,450,431	2,187,763	262,668
Operation & Maintenance of Plant	13,649,889	14,485,889	11,900,314	2,585,575
Student Transportation	-	-	-	-
Other Support Services	5,807,816	10,178,085	132,964	10,045,121
Food Services Operations	16,420	16,420	9,976	6,444
Community Services	72,450	180,035	43,298	136,737
Capital outlay	150,000	150,000	-	150,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>111,442,547</u>	<u>118,764,767</u>	<u>98,042,896</u>	<u>20,721,871</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(11,276,650)</u>	<u>(18,598,870)</u>	<u>2,931,079</u>	<u>21,529,949</u>
<i>Other financing sources (uses):</i>				
Designated cash	11,276,650	18,598,870	-	(18,598,870)
Operating transfers	-	-	-	-
Return of cash to PED	-	-	(287,052)	(287,052)
<i>Total other financing sources (uses)</i>	<u>11,276,650</u>	<u>18,598,870</u>	<u>(287,052)</u>	<u>(18,885,922)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,644,027</u>	<u>2,644,027</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,835,462</u>	<u>22,835,462</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,479,489</u>	<u>\$ 25,479,489</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			29,546	
Adjustments to expenditures			(5,078)	
<i>Net changes in fund balances</i>			<u>\$ 2,668,495</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
TRANSPORTATION FUND

Exhibit C-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	5,028,347	5,216,133	5,216,133	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	5,028,347	5,216,133	5,216,133	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	5,028,347	5,217,532	5,208,382	9,150
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	5,028,347	5,217,532	5,208,382	9,150
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(1,399)	7,751	9,150
<i>Other financing sources (uses):</i>				
Designated cash	-	1,399	-	(1,399)
Operating transfers	-	-	-	-
Return of cash to PED	-	-	(1,399)	(1,399)
<i>Total other financing sources (uses)</i>	-	1,399	(1,399)	(2,798)
<i>Net changes in fund balances</i>	-	-	6,352	6,352
<i>Fund balances - beginning of year</i>	-	-	2,798	2,798
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 9,150	\$ 9,150
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
Adjustments to expenditures			(9)	
<i>Net changes in fund balances</i>			\$ 6,343	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	698,485	951,079	951,080	1
Federal grants	-	-	-	-
Miscellaneous	-	-	10,273	10,273
Interest	-	-	-	-
<i>Total revenues</i>	<u>698,485</u>	<u>951,079</u>	<u>961,353</u>	<u>10,274</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	835,575	1,189,509	590,127	599,382
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>835,575</u>	<u>1,189,509</u>	<u>590,127</u>	<u>599,382</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(137,090)</u>	<u>(238,430)</u>	<u>371,226</u>	<u>609,656</u>
<i>Other financing sources (uses):</i>				
Designated cash	137,090	238,430	-	(238,430)
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>137,090</u>	<u>238,430</u>	<u>-</u>	<u>(238,430)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>371,226</u>	<u>371,226</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>238,430</u>	<u>238,430</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,656</u>	<u>\$ 609,656</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
Adjustments to expenditures			<u>(402)</u>	
<i>Net changes in fund balances</i>			<u>\$ 370,824</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
FOOD SERVICES FUND

Exhibit C-4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	150,000	150,000	209,098	59,098
Federal grants	7,950,000	7,950,000	8,657,177	707,177
Miscellaneous	190,000	190,000	213,236	23,236
Interest	1,000	1,000	1,678	678
<i>Total revenues</i>	<u>8,291,000</u>	<u>8,291,000</u>	<u>9,081,189</u>	<u>790,189</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	17,945,602	18,812,200	8,004,527	10,807,673
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,945,602</u>	<u>18,812,200</u>	<u>8,004,527</u>	<u>10,807,673</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(9,654,602)</u>	<u>(10,521,200)</u>	<u>1,076,662</u>	<u>11,597,862</u>
<i>Other financing sources (uses):</i>				
Designated cash	9,654,602	10,521,200	-	(10,521,200)
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>9,654,602</u>	<u>10,521,200</u>	<u>-</u>	<u>(10,521,200)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,076,662</u>	<u>1,076,662</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>10,521,199</u>	<u>10,521,199</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,597,861</u>	<u>\$ 11,597,861</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			508,105	
Adjustments to expenditures			<u>(523,417)</u>	
<i>Net changes in fund balances</i>			<u>\$ 1,061,350</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
TITLE I SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	8,421,618	9,511,910	6,887,045	(2,624,865)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	8,421,618	9,511,910	6,887,045	(2,624,865)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	6,118,715	7,264,477	6,678,710	585,767
Support Services				
Students	1,194,450	1,165,854	864,792	301,062
Instruction	549,590	503,854	411,323	92,531
General Administration	143,218	162,080	142,644	19,436
School Administration	3,500	3,500	1,791	1,709
Central Services	301,645	301,645	241,601	60,044
Operation & Maintenance of Plant	20,500	20,500	11,826	8,674
Student Transportation	90,000	90,000	35,267	54,733
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	8,421,618	9,511,910	8,387,954	1,123,956
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(1,500,909)	(1,500,909)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Return of cash to PED	-	-	(176)	(176)
<i>Total other financing sources (uses)</i>	-	-	(176)	(176)
<i>Net changes in fund balances</i>	-	-	(1,501,085)	(1,501,085)
<i>Fund balances - beginning of year</i>	-	-	(1,544,534)	(1,544,534)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (3,045,619)	\$ (3,045,619)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(534,493)	
Adjustments to expenditures			114	
<i>Net changes in fund balances</i>			\$ (2,035,464)	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

Exhibit D-1

	Private Purpose Trust Funds	Agency Funds
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 116,161	\$ 688,822
Due from other funds	17,271	-
	<u>133,432</u>	<u>688,822</u>
<i>Total assets</i>	<u>133,432</u>	<u>688,822</u>
LIABILITIES		
<i>Current Liabilities</i>		
Due to other funds/external parties	17,271	-
Deposits held in trust for others	-	688,822
	<u>17,271</u>	<u>688,822</u>
<i>Total liabilities</i>	<u>17,271</u>	<u>688,822</u>
NET POSITION		
Restricted net position	<u>116,161</u>	<u>-</u>
<i>Total net position</i>	<u>116,161</u>	<u>-</u>
<i>Total liabilities and net position</i>	<u>\$ 133,432</u>	<u>\$ 688,822</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
JUNE 30, 2015

Exhibit D-2

	<u>Private Purpose Trust Funds</u>
Additions:	
Investment earnings	\$ 363
Contributions & donations from private sources	6,884
Total additions	<u>7,247</u>
Deductions:	
Miscellaneous operating	64
Scholarships	4,000
Total deductions	<u>4,064</u>
Change in net position	3,183
Total beginning net position	<u>112,978</u>
Total ending net position	<u><u>\$ 116,161</u></u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1. Summary of Significant Accounting Policies

The Gadsden Independent Schools 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 NM Public Education Department and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years.

The School Board operates twenty-two schools within the District. In conjunction with the regular education programs, all of these schools offer special education. In addition, the School Board provides transportation for the students.

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

During the year ended June 30, 2015, the District adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* ("GASB 68"), and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* ("GASB 71"). These two Statements are required to be implemented at the same time. GASB 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governments through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and non-employer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, non-employer contributing entities, and the pension plan administrator. If the plan is a defined benefit plan, plan assets are also legally protected from creditors of the plan members.

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. As a result of the implementation of GASB 68, the government would recognize a net pension liability ("NPL") measured as of a date no later than the end of its prior fiscal year. If the government employer makes a contribution to the pension plan subsequent to the measurement date but prior to the end of the current fiscal year, GASB 68 requires the government to recognize that contribution as a deferred outflow of resources. In addition, GASB 68 requires the recognition of deferred outflows of resources and deferred inflows of resources for changes in the NPL that arise from other types of events, but does not require the government to recognize beginning deferred outflows of resources or deferred inflows of resources if the amounts are not practical to estimate. At transition to Statement 68, Statement 71 requires the employer or non-employer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability but before the start of the government's fiscal year, thus avoiding possible understatement of an employer or non-employer contributing entity's beginning net position and expense in the initial period of implementation. This pronouncement has materially impacted the financial statements and additional disclosures are included in the notes to the financial statements to highlight the effects.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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 Statement No. 14 as amended by GASB Statement No. 39. 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 the potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District has one component unit as described in the following paragraphs, and is not a component unit of another governmental agency.

The Gadsden Foundation Inc. is a blended presented component unit of the District, as defined by GASB Statements No. 14, as amended by GASB Statement No. 39, and has a separate governing board. The Foundation does not issue separate financial statements. The Foundation is governed by a fifteen member board composed of the Superintendent of the District, eleven appointed members, and four officers.

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 non-fiduciary activities of the primary government. For the most part, the effect of inter-fund 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. Gadsden Independent Schools does not have business-type activities as of June 30, 2015.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – Net investment in capital assets, restricted net position and unrestricted net position.

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.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

B. Government-wide and fund financial statements (continued)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise fund are reported as separate columns in the fund financial statements. The District does not have any enterprise funds.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial 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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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. 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.

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

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

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

The *General Fund* as the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other funds.

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

The *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.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

The *Debt Service Funds* account for the services of general 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:

Operational Funds:

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children. Authority for the creation of this fund is the New Mexico Public Education Department.

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

Special Revenue Funds:

The *Food Service Fund* is used to account for income from meal sales, State and Federal reimbursements and to make cash disbursements for activities dealing with preparation and serving of meals. Authority for the creation of this fund is the New Mexico Public Education Department.

Title I (24101) – The major objectives of the Title I program 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 criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authorized by the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001, Title I, Part A (Public Law 107-110).

Capital Projects Funds:

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. Authority for the creation of this fund is the New Mexico Public Education Department.

Debt Service Funds:

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of General Long-Term Debt principal and interest. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

Additionally, the government reports the following fund types:

Fiduciary Funds:

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.

The *Private Purpose Trust Fund* is used to account for monies bequeathed by a former teacher, Machree Causey, to provide for a scholarship each year to a graduating senior from Gadsden High School who has shown an interest in business subjects. This fund also accounts for monies bequeathed by Jim O'Toole to provide scholarships to students from Santa Teresa High School and Gadsden High School to be given based on recommendations by School Administrators. The principal amounts are to be maintained intact and invested. Investment earnings are to be used for the scholarships. Funds related to the private purpose trust fund are held in one account in conjunction with the Gadsden Foundation, Inc. However, for reporting purposes the amounts are reported separately.

The *Gadsden Foundation, Inc.* is a blended component unit used to account for donations and charitable contributions received for the purpose of providing scholarships to eligible graduates of the District and for the general support of the Gadsden Independent School District.

As a general rule, the effect of inter-fund 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. 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.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with the 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 in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities and Net Position or Equity

Cash and Cash Equivalents: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of twelve 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.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

Investments for the District are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the Pool is the same as the fair value of the pool shares. As of June 30, 2015, the District did not hold any pool shares in the State Treasurer's Investment Pool.

Restricted Assets: Restricted assets are those that are set aside for restrictions resulting from enabling legislation for future capital outlay expenditures and debt service payments. The District's restricted assets are made up of all capital project and debt service funds.

Receivables and Payables: Inter-fund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as inter-fund 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 inter-fund transactions are treated as transfers. 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 Dona Ana and Otero Counties. The funds are collected by the County Treasurer and are remitted to the District in the following month. Under the modified accrual method of accounting, the amount remitted by the Dona Ana and Otero County Treasurers in July and August is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund financial statements during the year ended June 30, 2015. Period of availability is deemed to be sixty days subsequent to year end.

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

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. As of June 30, 2015, the District does not have any prepaid items.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the purchase of material listed on the PED 'Multiple List', while fifty percent of each allocation is available for purchases directly from vendors or transfer to the fifty percent account for purchase of material from the "Multiple List". Districts are allowed to carry forward unused textbook funds from year to year.

Inventory: The District's method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories are actually consumed. Inventory is valued at cost. In the General Fund, inventory consists of expendable supplies held for consumption. Inventory in the Food Service Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies.

The cost of purchased inventory is recorded as an expenditure at the time individual inventory items are consumed. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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, per section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9 C (5).

The District was a phase II government for purposes of implementing GASB Statement No. 34. However, the District does not have any infrastructure assets to report.

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, 2015.

Capital expenditures made on the District's building construction projects by the New Mexico Public School Facilities Authority are included in the District's capital assets as appropriate.

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

Land improvements	20 years
Buildings/building improvements	10-50 years
Furniture and equipment	5-20 years
Vehicles	10-20 years

Accrued Payroll Liabilities: In the fund financial statements, governmental fund types recognize the accrual of unpaid salaries, wages, and benefits that employees earned prior to the end of the fiscal year. The amount recognized in the fund financial statements represents the amounts due to employees or due to third parties for the employee benefits.

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The District has one type of item that qualifies for reporting in this category. Accordingly, the item, employer contributions subsequent to measurement date, is reported in the Statement of Net Position. This amount is deferred and recognized as an outflow of resources in the period the amount becomes available. The District has recorded \$10,542,936 related to employer contributions subsequent to measurement date.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

The District has two types of items, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, unavailable revenue – property taxes and unavailable revenue - grants, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District has recorded \$2,059,604 related to property taxes and \$3,419,153 related to grants that are considered “unavailable”.

In addition, the District has three types of items present on the Statement of Net Position which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, the items, changes in proportion and differences between District contributions and proportionate share of contributions, \$1,956,832; difference between expected and actual experience, \$2,238,123; and net difference between projected and actual earnings, \$13,657,945 are reported on the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences: Qualified employees are entitled to earn and accumulate annual leave according to a graduated leave schedule of up to 40 days per year, depending on length of service, the employee’s hire date, and employment status. Employees may accumulate and carry forward, from one fiscal year to the next, up to 40 days of annual leave. Upon termination, employees will be paid for up to 40 days of accrued annual leave depending on employment status.

Qualified employees are entitled to accumulate general leave according to a graduated leave schedule of up to 15 days per year with no limit on the amount to be carried forward, depending on length of service, the employee’s hire date, and employment status. Effective May 2013, employees will be paid for unused general leave upon retirement, on a graduated scale for accumulated days over 30, provided they meet specific criteria based on years of service.

Vested or accumulated leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated 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 premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the difference from the effective interest method is inconsequential.

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 and Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the District’s fund balances is presented in Note 18.

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

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

Restricted Net Position: Consist of net position with “legally enforceable” 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. Legally enforceable means that a government can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation, only for the purposes specified by the legislation. Generally, the enforceability of an enabling legislation restriction is determined by professional judgment. If it is determined that the restrictions continue to be legally enforceable, then for the purposes of financial reporting, the restricted net position should not reflect any reduction for resources used for purposes not stipulated by the enabling legislation. Descriptions for the related restrictions for net position are restricted for “debt service or capital projects.”

Unrestricted Net Position: 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 \$35,445,662 of restricted net position related to grants, capital projects and debt service.

Inter-fund 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 inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

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

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 Secretary of the Public Education Department. The District received \$99,687,556 in state equalization guarantee distributions during the year ended June 30, 2015.

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

E. Revenues - (Continued)

modified accrual basis. The District recognized \$14,235,408 in tax revenues during the year ended June 30, 2015. 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. Dona Ana and Otero Counties collect 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 Secretary of the Public Education Department. 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 \$5,216,133 in transportation distributions during the year ended June 30, 2015.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the purchase of materials listed in the PED "Multiple List", while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2015 totaled \$951,080.

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

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

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

During the year ended June 30, 2015, the District did not receive any special capital outlay funds.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

The district received \$2,827,665 in state SB-9 matching during the year end June 30, 2015.

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 is operated under its own budget, which has been approved by the Federal Department or the flow-through agency (usually the New Mexico Public Education Department). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

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

F. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board Plan (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 payment (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the Non-GAAP (Cash) budgetary 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 'function,' this may be accomplished with only local Board of Education approval. If a transfer between 'functions' or a budget increase is required, approval must also be obtained from the New Mexico Public Education Department.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2. Stewardship, Compliance and Accountability - (Continued)

Budgetary Information - (Continued)

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

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

1. In April or May, the local school board submits to the School Budget and Finance Analysis Bureau (SBFAB) 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 New Mexico Public Education Department.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the SBFAB and certified and approved by the local school board at a public hearing of which notice has been published by the local school board who fixes the estimated budget for the 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 SBFAB and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBFAB.
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 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 District and approved by the SBFAB.
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 Gadsden Independent Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2. Stewardship, Compliance and Accountability - (Continued)

Budgetary Information - (Continued)

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 function.

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2015, is presented.

The appropriated budget for the year ended June 30, 2015, was properly amended by the Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (11,276,650)	\$ (18,598,870)
Transportation Fund	\$ -	\$ (1,399)
Instructional Materials Fund	\$ (137,090)	\$ (238,430)
Food Services Fund	\$ (9,654,602)	\$ (10,521,200)
Title I Fund	\$ -	\$ -
Bond Building Fund	\$ (27,856,855)	\$ (34,007,878)
Debt Service Fund	\$ (10,229,119)	\$ (10,254,497)
Other Governmental Funds	\$ (10,750,288)	\$ (10,746,931)

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.

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund is included in the individual budgetary comparison.

NOTE 3. Deposits and Temporary Investments

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

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3. Deposits and Temporary Investments – (Continued)

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

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

The collateral pledged is listed on Schedule II 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.

Primary Government

Deposits:

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than the following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978.) At June 30, 2015, \$29,161,595 of the District’s deposits of \$30,121,595 was exposed to custodial credit risk. \$19,526,176 was uninsured and collateralized by collateral held by the pledging bank’s trust department, not in the District’s name. As of June 30, 2015, \$9,635,419 is uninsured and uncollateralized. As of June 30, 2015, the carrying amount of these deposits was \$28,942,017; total amount of deposits of \$30,121,595 less outstanding items of \$1,179,578. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the 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.

	<u>Wells Fargo</u>	<u>Bank of the West</u>	<u>First American Bank</u>	<u>Total</u>
Total amounts of deposits	\$17,453,576	\$12,458,019	\$ 210,000	\$30,121,595
FDIC coverage	<u>(500,000)</u>	<u>(250,000)</u>	<u>(210,000)</u>	<u>(960,000)</u>
Total uninsured public funds	<u>\$16,953,576</u>	<u>\$12,208,019</u>	<u>\$ —</u>	<u>\$29,161,595</u>
Pledged collateral held by pledging bank’s trust department or agent but not in District’s name	<u>11,149,167</u>	<u>8,377,009</u>	<u>—</u>	<u>19,526,176</u>
Uninsured and uncollateralized	<u>\$ 5,804,409</u>	<u>\$ 3,831,010</u>	<u>\$ —</u>	<u>\$ 9,635,419</u>

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3. Deposits and Temporary Investments – (Continued)

Deposits: (Continued)

	<u>Wells Fargo</u>	<u>Bank of the West</u>	<u>First American Bank</u>	<u>Total</u>
Collateral requirement (50% of uninsured public funds)	\$ 8,476,788	\$ 6,104,009	\$ —	\$ 14,580,797
Pledged security	<u>11,149,167</u>	<u>8,377,009</u>	<u>403,840</u>	<u>19,930,016</u>
Total under (over) collateralized	<u>\$ (2,672,379)</u>	<u>\$ (2,273,000)</u>	<u>\$ (403,840)</u>	<u>\$ (5,349,219)</u>

Certificates of deposits with maturity dates of three months or less were included in the total amount of deposits.

Temporary Investments:

As of June 30, 2015, the District had the following temporary investments and maturities:

<u>Temporary Investment Types</u>	<u>Fair Value</u>	<u>Temporary Investments Maturities Less than 1 year</u>
Repurchase Agreements	\$ 50,991,893	\$ 50,991,893

Statutes require collateral pledged for repurchase agreements in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one hundred and two percent of the amount on deposit with the institution. The schedule listed below discloses requirements on reporting the insured portion of the District's repurchase agreements.

	<u>Wells Fargo</u>	<u>Bank of the West</u>	<u>First American Bank</u>	<u>Total</u>
Repurchase Agreements				
Total amount of deposits	\$ 48,686,809	\$ —	\$ 2,305,084	\$ 50,991,893
FDIC coverage	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total uninsured public funds	<u>\$ 48,686,809</u>	<u>\$ —</u>	<u>\$ 2,305,084</u>	<u>\$ 50,991,893</u>
Collateral requirement (102% of uninsured public funds)	\$ 49,660,545	\$ —	\$ 2,351,186	\$ 52,011,731
Pledged security	<u>49,660,546</u>	<u>—</u>	<u>2,980,701</u>	<u>52,641,247</u>
Under (over) collateralized	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ (629,515)</u>	<u>\$ (629,516)</u>

Custodial credit risk – Temporary Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its temporary investments or collateral securities that are in the possession of an outside party. Of the District's \$50,991,893 temporary investment in repurchase agreements, the entire balance of underlying securities are held by the investment's counterparty not in the name of the District. The District's policy related to temporary investments is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). The carrying value of the District's temporary investments in repurchase agreements at June 30, 2015 was \$50,991,893.

Interest Rate Risk for Temporary Investments. The District does not have a written policy for limiting interest rate risk. However, the average maturity of certificates of deposit is twelve months or less, which is an effective limit of interest rate risk.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3. Deposits and Temporary Investments - (Continued)

Temporary Investments: (Continued)

Reconciliation of Deposits and Temporary Investments

Statement of Net Position	
Cash and cash equivalents per Exhibit B-1	
Governmental Activities	\$ 79,245,583
Statement of Fiduciary Net Position – cash and cash equivalents	
per Exhibit D-1	<u>688,822</u>
	79,934,405
Outstanding checks and other reconciling items	<u>1,179,578</u>
	81,113,983
Less petty cash	<u>(495)</u>
Bank balance of deposits and temporary investments	<u>\$ 81,113,488</u>

NOTE 4. Receivables

Receivables as of June 30, 2015 are as follows:

Primary Government:

	General	Food Services	Title I	Bond Building
Property Taxes	\$ 58,173	\$ -	\$ -	\$ -
Intergovernmental:				
Federal	28,596	178,804	3,045,619	-
State	-	-	-	-
Local	-	-	-	-
Total intergovernmental	<u>28,596</u>	<u>178,804</u>	<u>3,045,619</u>	<u>-</u>
Other	<u>1,323</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals by category	<u>\$ 88,092</u>	<u>\$ 178,804</u>	<u>\$ 3,045,619</u>	<u>\$ -</u>
	Debt	Other	Total	
	Service	Governmental	Primary	
	<u>Service</u>	<u>Funds</u>	<u>Government</u>	
Property Taxes	\$ 1,824,114	\$ 620,210	\$ 2,502,497	
Intergovernmental:				
Federal	-	1,757,819	5,010,838	
State	-	1,934,139	1,934,139	
Local	-	8,556	8,556	
Total intergovernmental	<u>-</u>	<u>3,700,514</u>	<u>6,953,533</u>	
Other	<u>-</u>	<u>-</u>	<u>1,323</u>	
Totals by Category	<u>\$ 1,824,114</u>	<u>\$ 4,320,724</u>	<u>\$ 9,457,353</u>	

The above receivables are deemed 100% collectible. In accordance with GASB Statement No. 33, property taxes and grants receivable are presented net of deferred inflow of resources in the amount of \$2,059,604 and \$3,419,153, respectively, on the governmental fund financial statements.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5. Interfund Receivables, Payables, and Transfers

The District did not have any net operating transfers for the year ended June 30, 2015.

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, 2015 is as follows:

Governmental Activities:	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General Fund	\$ 4,937,733	\$ —
Food Services Fund	—	—
Title I Fund	—	2,759,351
Bond Building Fund	—	—
Nonmajor Funds:		
Special Revenue Funds	—	2,178,382
	<hr/>	<hr/>
Total Governmental Activities	<u>\$ 4,937,733</u>	<u>\$ 4,937,733</u>

All Interfund balances are to be paid within one year.

NOTE 6. Capital Assets

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

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance June 30, 2015</u>
Capital Assets used in Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 2,559,939	\$ —	\$ —	\$ —	\$ 2,559,939
Construction in progress	<u>12,092,033</u>	<u>9,735,346</u>	<u>—</u>	<u>(19,418,962)</u>	<u>2,408,417</u>
Total assets not being depreciated	<u>14,651,972</u>	<u>9,735,346</u>	<u>—</u>	<u>(19,418,962)</u>	<u>4,968,356</u>
Land improvements	14,199,676	—	(106,358)	193,647	14,286,965
Buildings and building improvements	349,906,606	9,778,881	(5,653,040)	19,225,315	373,257,762
Furniture, fixtures & equipment	<u>21,788,536</u>	<u>644,168</u>	<u>(10,366,618)</u>	<u>—</u>	<u>12,066,086</u>
Total assets being depreciated	<u>385,894,818</u>	<u>10,423,049</u>	<u>(16,126,016)</u>	<u>19,418,962</u>	<u>399,610,813</u>
Total assets	<u>\$ 400,546,790</u>	<u>\$ 20,158,395</u>	<u>\$ (16,126,016)</u>	<u>\$ —</u>	<u>\$ 404,579,169</u>

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 6. Capital Assets – (Continued)

Less Accumulated Depreciation:

Land improvements	\$ 6,217,015	\$ 924,946	\$ (61,255)	\$ —	\$ 7,080,706
Buildings and building improvements	93,233,465	12,138,534	(4,363,504)	—	101,008,495
Furniture, fixtures & equipment	<u>18,366,624</u>	<u>542,089</u>	<u>(9,238,466)</u>	<u>—</u>	<u>9,670,247</u>
Total accumulated depreciation	<u>\$ 117,817,104</u>	<u>\$ 13,605,569</u>	<u>\$ (13,663,225)</u>	<u>\$ —</u>	<u>\$ 117,759,448</u>
Net Capital Assets	<u>\$ 282,729,686</u>	<u>\$ 6,552,826</u>	<u>\$ (2,462,791)</u>	<u>\$ —</u>	<u>\$ 286,819,721</u>

Capital assets, net of accumulated depreciation, at June 30, 2015 appear in the Statement of Net Position and/or the Fund Statements Balance Sheets as follows: Governmental activities \$286,819,721.

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

Instruction	\$ 6,489,931
Support Services – Students	993,806
Support Services – Instruction	505,810
Support Services – General Administration	84,284
Support Services – School Administration	523,641
Central Services	197,461
Operations / Maintenance of Plant	982,931
Transportation Services	465,157
Other Support Services	11,058
Food Services	706,447
Community Services Operation	20,149
Capital Outlay	<u>2,624,894</u>
Total depreciation expense	<u>\$ 13,605,569</u>

NOTE 7. Long-Term Debt

General Obligation Bonds:

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of the outstanding general obligation bonds as of June 30, 2015 was \$75,055,000. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2015 are for governmental activities.

General obligation bonds outstanding at June 30, 2015, are comprised of the following:

	Series 8/15/2008	Series 11/24/2009	Series 11/19/2010	Series 10/26/2011
Original Issue:	\$7,000,000	\$9,075,000	\$7,250,000	\$8,250,000
Principal Due:	August 15	June 1	August 15	August 15
Interest Due:	February 15	June 1	February 15	February 15
	August 15	December 1	August 15	August 15
Interest Rates:	3.25% - 4.00%	3.00% - 4.50%	0.648% - 2.838%	2.00% - 3.00%
Maturity Date:	8/15/2018	06/01/2019	08/15/2020	8/15/2021

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7. Long-Term Debt – (Continued)

General Obligation Bonds: (Continued)

	Series 10/26/2011	Series 12/12/2012	Series 10/16/2013	Series 10/29/2014
Original Issue:	\$12,300,000	\$12,180,000	\$9,500,000	\$9,500,000
Principal Due:	August 15	August 15	August 15	August 15
Interest Due:	February 15 August 15	February 15 August 15	February 15 August 15	February 15 August 15
Interest Rates:	2.00% - 4.00%	2.00% - 3.00%	2.00% - 3.00%	2.00% - 4.00%
Maturity Date:	08/15/2017	08/15/2022	08/15/2023	08/15/2024

Lease Purchase Notes:

The District issues Education Technology General Obligation Lease Purchase Certificates of Participation (Lease Purchase Notes) under the terms of a lease-purchase agreement by and between the District and the New Mexico Public Schools Education Technology Assistance Foundation, LLC pursuant to the Education Technology Equipment Act, NMSA 1978, §§ 6-15A-1 to 6-15A-16 for the purchase of technology related equipment and improvements as allowed under this Act. The original amount of the outstanding lease purchase notes as of June 30, 2015 was \$3,750,000. All lease purchase notes are for governmental activities.

Lease purchase notes outstanding as of June 30, 2015, are comprised of the following:

	Series 10/16/2013	Series 06/13/2014
Original Issue:	\$2,750,000	\$1,000,000
Principal Due:	August 15	August 15
Interest Due:	February 15 August 15	February 15 August 15
Interest Rates:	0.60% - 0.80%	0.80%
Maturity Date:	8/15/2015	08/15/2015

During the year ended June 30, 2015 the following changes occurred in the liabilities reported in the government-wide Statement of Net Position:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Due within One Year
General Obligation Bonds	\$ 44,585,000	\$ 9,500,000	\$ 9,130,000	\$ 44,955,000	\$ 9,705,000
Lease Purchase Notes	3,750,000	-	1,750,000	2,000,000	2,000,000
Compensated Absences	1,295,769	621,383	473,423	1,443,729	510,609
Total	\$ 49,630,769	\$ 10,121,383	\$ 11,353,423	\$ 48,398,729	\$ 12,215,609

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7. Long-Term Debt – (Continued)

The annual requirements to amortize the General Obligation Bonds as of June 30, 2015, including interest payments are as follows. The interest rates range from 2.00% to 4.00% with maturity dates until August 15, 2024.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$ 9,705,000	\$ 1,197,369	\$ 10,902,369
2017	6,925,000	935,016	7,860,016
2018	7,350,000	712,778	8,062,778
2019	6,050,000	506,215	6,556,215
2020	3,375,000	346,353	3,721,353
2021-2025	<u>11,550,000</u>	<u>588,921</u>	<u>12,138,921</u>
Totals	<u>\$ 44,955,000</u>	<u>\$ 4,286,652</u>	<u>\$ 49,241,652</u>

The annual requirements to amortize the Lease Purchase Notes as of June 30, 2015, including interest payments are as follows. The interest rates range from 0.60% to 0.80% with maturity dates until August 15, 2015.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$ 2,000,000	\$ 8,000	\$ 2,008,000
2017	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 2,000,000</u>	<u>\$ 8,000</u>	<u>\$ 2,008,000</u>

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

Compensated Absences – Administrative employees of the Schools are able to accrue a limited amount of annual leave and all employees are able to accrue an unlimited amount of general leave during the year. During fiscal year June 30, 2015, compensated absences increased \$117,049 for annual leave and increased \$30,911 for general leave 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, 2015 was \$446,081.

NOTE 8. Risk Management

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8. Risk Management – (Continued)

The NMPSIA provides coverage for up to a maximum of \$750,000,000 for each property damage claim with a \$25,000 deductible for 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 \$1,250,000 per occurrence for Faithful Performance. A limit of \$1,250,000 applies to Depositor’s Forgery, Credit Card Forgery and Money Orders. A limit of \$100,000 applies to Money and Security, with all crime coverage subject to 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, 2015, there have been no claims that have exceeded insurance coverage.

NOTE 9. 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 District reported a deficit fund balance at June 30, 2015 in the following funds:

Title I – 24101	\$2,035,464
Teacher/Principal Training & Recruiting – 24154	226,747
Carl D Perkins Secondary - Current – 24174	5,103
Carl D Perkins HSTW - Current – 24180	10,958
2012 GO Bond Student Library – 27107	<u>1,231</u>
Total Governmental Funds	<u>\$2,279,503</u>

The deficit is expected to be funded by reimbursement from the granting agency, New Mexico Public Education Department.

B. Excess of expenditures over appropriations: No funds of the District exceeded approved budgetary authority at the fund level for the year ended June 30, 2015. The District reported an expenditure in excess of budget at the function level at June 30, 2015 for the following fund:

Educational Technology Debt Service – General Administration Function \$ (1,258)

C. Designated cash appropriations in excess of available balance: No funds of the District exceeded the budgeted cash appropriations for the year ended June 30, 2015.

NOTE 10. Pension Plan – Educational Retirement Board

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.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

Benefits provided. A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and a 0.0235 multiplier. The

FAS is the average of the member's salaries for the last five years of service or any other consecutive five-year period, whichever is greater. A brief summary of Plan coverage provisions follows:

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

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

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

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

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. 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 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, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$10,542,936 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014. At June 30, 2015, the District reported a liability of \$150,245,048 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, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the District’s proportion was 2.63323 percent, which was a decrease of 0.042 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$9,722,155. At the June 30, 2015, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,238,123
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	13,657,945
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,956,832
District’s contributions subsequent to the measurement date	10,542,936	-
Total	\$10,542,936	\$17,852,900

\$10,542,936 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of June 30, 2014, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$(4,871,075)
2017	(4,871,075)
2018	(4,696,285)
2019	(3,414,465)
2020	-
Thereafter	-

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

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

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years. The actuarial methods and assumptions used to determine contributions 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:

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

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

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 (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District’s proportionate share of the net pension liability	\$204,425,662	\$150,245,008	\$104,989,302

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

Payables to the pension plan. The Gadsden Independent Schools remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2015 the District owed the ERB \$2,809,090 for the contributions withheld in the month of June 2015.

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

Plan Description. Gadsden Independent Schools contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long term care policies.

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

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

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

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

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

The Gadsden Independent Schools contributions to the RHCA for the year ended June 30, 2015, 2014 and 2013 were \$1,517,037, \$1,451,628 and \$1,449,681, respectively, which equal the required contributions for each year.

NOTE 12. Tax Sheltered Annuity Plan

The District offers its employees a tax sheltered annuity plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amount of compensation deferred under the plan are remitted by the District to the various plan administrators and the District has no further claim to these funds. Investments are managed by respective plan trustees. All contributions withheld from employees have been transferred to the annuity companies with which the employee has selected to invest their funds.

NOTE 13. Contingent Liabilities

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

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

NOTE 14. Concentrations

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations.

NOTE 15. Subsequent Accounting Standard Pronouncements

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*, which is effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2016. The District is still evaluating how this pronouncement will affect the financial statements.

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The requirements of this Statement that address accounting and financial reporting by employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this pronouncement will affect the District.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 15. Subsequent Accounting Standard Pronouncements – (Continued)

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is effective for financial statements for fiscal years beginning after June 15, 2016. This pronouncement will not affect the District.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The District expects this pronouncement to have a material effect on the financial statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. The District will implement this standard during the fiscal year ended June 30, 2016. The District expects the pronouncement to have a material effect on the financial statements.

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*, which are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The District will implement this standard during the fiscal year ended June 30, 2017. The District is still evaluating how this pronouncement will affect the financial statements.

NOTE 16. Subsequent Events

The date to which events occurring after June 30, 2015, the date of the most recent Statement of Net Position, have been evaluated for possible adjustment to the financial statements or disclosures is October 5, 2015 which is the date on which the financial statements were available to be issued.

On September 10, 2015 the Gadsden Independent School District Board of Education passed resolutions authorizing the issuance and sale of the following debt:

Series 2015 General Obligation School Building Bonds
Bond Amount: \$9,500,000
Closing Date: 10/14/2015
Maturity Date: 8/15/2025
Interest Rate: 2.000% to 2.125%

Gadsden Independent School District authorized issuance of General Obligation School Building Bonds, Series 2015, in the amount of \$9,500,000 to provide funds for construction within the District.

On September 10, 2015 the Gadsden Independent School District Board of Education passed resolutions authorizing the issuance and sale of the following debt:

Series 2015 Lease Purchase Notes
Note Amount: \$2,000,000
Closing Date: 10/14/2015
Maturity Date: 8/15/2016
Interest Rate: 0.60%

Gadsden Independent School District authorized issuance of Lease Purchase Notes, Series 2015, in the amount of \$2,000,000 to provide funds for technology needs within the District.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Prior Period Adjustment

During the year ended June 30, 2015, the District adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* (“GASB 68”), and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* (“GASB 71”). These two Statements are required to be implemented at the same time. GASB 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governments through pension plans that are administered through trusts that have certain characteristics. GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. At transition to Statement 68, Statement 71 requires the employer or non-employer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability but before the start of the government’s fiscal year, thus avoiding possible understatement of an employer or non-employer contributing entity’s beginning net position and expense in the initial period of implementation. Additional information regarding the adoption of GASB 68 can be found in Note 1 and Note 10.

The District has a prior period adjustment of \$(158,375,793) which was required due to the adoption of GASB 68. This adjustment reflects a beginning net pension liability of \$(167,920,249) and a beginning deferred outflow of resources – employer contributions subsequent to the measurement date of \$9,544,456.

NOTE 18. 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 District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. For committed and assigned fund balance, the District’s highest level of decision-making authority is the Board of Education. Formal action by the Board of Education is required to establish a fund balance commitment or assignment.

For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the District considers committed, assigned or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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

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. At June 30, 2015, the nonspendable fund balance of the District is comprised of inventory in the General and Food Services funds, \$435,835 and \$423,415, respectively, which are not in spendable form.

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 District’s Board of Education. Those committed amounts cannot be used for any other purpose unless the District’s Board of Education removes or changes the specified use by taking formal action.

Assigned: Consist of amounts that are constrained by the District’s *intent* to be used for specific purposes, but are neither restricted nor committed. Formal action by the District’s Board of Education is required 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 except for those other governmental funds reflecting a deficit.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18. Governmental Fund Balance (continued)

Gadsden Independent Schools

	Operational Fund							Nonmajor Governmental Funds	Total
	General 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000	Title I 24101	Bond Building 31100	Debt Service 41000		
Fund Balance:									
Nonspendable:									
Inventory	\$ 435,835	\$ -	\$ -	\$ 423,415	\$ -	\$ -	\$ -	\$ -	\$ 859,250
Spendable:									
Restricted for:									
Student instruction	-	-	29,720	-	-	-	-	336,388	366,108
Student support services	-	-	-	-	-	-	-	449,236	449,236
Central office services	-	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	189,601	189,601
School food services	-	-	-	3,722,088	-	-	-	-	3,722,088
Student transportation	-	9,141	-	-	-	-	-	-	9,141
Capital projects	-	-	-	-	-	3,803,487	-	199,234	4,002,721
Debt service	-	-	-	-	-	-	10,657,724	2,180,100	12,837,824
	-	9,141	29,720	3,722,088	-	3,803,487	10,657,724	3,354,559	21,576,719
Committed for:									
Student instruction	-	-	-	-	-	-	-	67,805	67,805
Student support services	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	67,805	67,805
Assigned for:									
Subsequent year's expenditures	14,825,391	-	579,534	7,832,808	-	16,851,596	-	6,760,294	46,849,623
Unassigned (deficit)	10,399,626	-	-	-	(2,035,464)	-	-	(244,039)	8,120,123
Total fund balance	\$ 25,660,852	\$ 9,141	\$ 609,254	\$ 11,978,311	\$ (2,035,464)	\$ 20,655,083	\$ 10,657,724	\$ 9,938,619	\$ 77,473,520

NOTE 19. Commitments

The District had multiple construction projects ongoing as of the year ended June 30, 2015 that continue into the following fiscal year. These projects are as follows:

<u>Contract</u>	<u>Year Ending</u>	<u>Amount</u>
New Desert Pride Academy Phase II - 2014	2015	145,421
Santa Teresa High School-Partial ReRoof	2015	10,737
Chaparral Addition & Remodel	2015	50,678
New Desert View Elementary	2015	1,714,309
GMS Wastewater Treatment Plant	2015	30,539
Gadsden High School Phase III Part 3	2015	9,843
Chaparral High School Irrigation Well	2015	133,856
Yucca Heights Elementary School	2015	266,250
La Union Roof Condition and Assessment	2015	1,407
Total Commitments		<u>2,363,040</u>

REQUIRED SUPPLEMENTARY INFORMATION

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
LAST 10 FISCAL YEARS*

Schedule A-1

	2015
Gadsden Independent Schools proportion of the net pension liability (asset)	2.63323%
Gadsden Independent Schools proportionate share of the net pension liability (asset)	\$ 150,245,048
Gadsden Independent Schools covered-employee payroll	\$ 72,581,397
Gadsden Independent Schools proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	207.00%
Plan fiduciary net position as a percentage of the total pension liability	66.54%

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

See notes to required supplementary information.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF CONTRIBUTIONS
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
LAST 10 FISCAL YEARS*

Schedule A-2

	2015
Contractually required contribution	\$ 10,542,936
Contributions in relation to the contractually required contribution	10,542,936
Contribution deficiency (excess)	\$ -
Gadsden Independent Schools covered-employee payroll	\$ 75,848,460
Contributions as a percentage of covered-employee payroll	13.90%

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

See notes to required supplementary information.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

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 ***Pension Plan – Educational Retirement Board, General Information on the Pension Plan.***

Changes of assumptions.

Per the ERB FY14 annual audit Management Discussion and Analysis, ERB conducts an actuarial experience study every two years. The actuarial experience study, presented to the Board of Trustees on April 26, 2013, compiled data for the six-year period ending June 30, 2013.

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

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

See also the ***Actuarial Assumptions*** subsection of the financial statement note disclosure ***Pension Plan – Educational Retirement Board, General Information on the Pension Plan.***

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
ASSETS				
Cash and cash equivalents	\$ 3,743,030	\$ 4,442,214	\$ 2,121,919	\$ 10,307,163
Accounts receivable				
Taxes	-	308,116	312,094	620,210
Intergovernmental receivables	2,739,668	960,846	-	3,700,514
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
Total Assets	6,482,698	5,711,176	2,434,013	14,627,887
LIABILITIES				
Accounts payable	67,173	297,946	-	365,119
Accrued payroll liabilities	431,606	-	-	431,606
Interfund payables	2,178,382	-	-	2,178,382
Total Liabilities	2,677,161	297,946	-	2,975,107
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	-	255,363	253,913	509,276
Unavailable revenue-grants	244,039	960,846	-	1,204,885
Total Deferrred Inflows of Resources	244,039	1,216,209	253,913	1,714,161
FUND BALANCES:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	975,225	199,234	2,180,100	3,354,559
Committed	67,805	-	-	67,805
Assigned	2,762,507	3,997,787	-	6,760,294
Unassigned (deficit)	(244,039)	-	-	(244,039)
Total Fund Balances	3,561,498	4,197,021	2,180,100	9,938,619
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,482,698	\$ 5,711,176	\$ 2,434,013	\$ 14,627,887

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

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ 1,693,155	\$ 1,899,149	\$ 3,592,304
State grants	3,800,522	2,849,841	-	6,650,363
Federal grants	6,998,341	-	-	6,998,341
Charges for services	635,107	-	-	635,107
Miscellaneous	887,205	13,896	-	901,101
Interest	1,008	729	-	1,737
<i>Total revenues</i>	<u>12,322,183</u>	<u>4,557,621</u>	<u>1,899,149</u>	<u>18,778,953</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,453,963	-	-	7,453,963
Support Services				
Students	1,625,768	-	-	1,625,768
Instruction	1,273,197	-	-	1,273,197
General Administration	226,142	16,885	18,944	261,971
School Administration	117,360	-	-	117,360
Central Services	27,013	-	-	27,013
Operation & Maintenance of Plant	20,177	-	-	20,177
Student Transportation	349,477	-	-	349,477
Other Support Services	-	-	-	-
Food Services Operations	479,929	-	-	479,929
Community Service	198,977	-	-	198,977
Capital outlay	-	6,595,359	-	6,595,359
Debt service - Principal	-	-	1,750,000	1,750,000
Debt service - Interest	-	-	18,628	18,628
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>11,772,003</u>	<u>6,612,244</u>	<u>1,787,572</u>	<u>20,171,819</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>550,180</u>	<u>(2,054,623)</u>	<u>111,577</u>	<u>(1,392,866)</u>
<i>Other financing sources (uses):</i>				
Proceeds from bond issues	-	-	-	-
Premiums on bonds issued	-	-	-	-
Return of cash to PED	(1,767)	-	-	(1,767)
<i>Total other financing sources (uses)</i>	<u>(1,767)</u>	<u>-</u>	<u>-</u>	<u>(1,767)</u>
<i>Net changes in fund balances</i>	<u>548,413</u>	<u>(2,054,623)</u>	<u>111,577</u>	<u>(1,394,633)</u>
<i>Fund balances - beginning of year</i>	<u>3,013,085</u>	<u>6,251,644</u>	<u>2,068,523</u>	<u>11,333,252</u>
<i>Fund balances - end of year</i>	<u>\$ 3,561,498</u>	<u>\$ 4,197,021</u>	<u>\$ 2,180,100</u>	<u>\$ 9,938,619</u>

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

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

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

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. Authority for creation of this fund is 6.20.2 NMAC.

Non-Instructional Support (23000) – To account for budgeted revenues and expenditures which relate to student activities other than athletics. Authority for the creation of this fund is the New Mexico Public Education Department.

Migrant Children Education (24103) – To account for federal resources administered by the State Public Education Department to provide for special educational needs of migratory agricultural workers. Authorized by the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the No Child Left Behind Act of 2001, Title I, Part C (Public Law 107-110).

Entitlement IDEA-B (Entitlement IDEA-B – 24106, Discretionary IDEA-B – 24107, IDEA-B “Risk Pool” – 24120) - To account for a program funded by a Federal grant to assist the schools in providing free appropriate public education to all handicapped children. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446).

New Mexico Autism Project (24108) – To account for a sub-grant to be used to support the District’s implementation of the New Mexico Autism Project and improve the outcomes for students with Autism Spectrum Disorders. Authority for creation of this fund is the New Mexico Public Education Department.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446).

IDEA-B Early Intervention (24112) – To account for a sub-award from IDEA-B Basic grant (24106) to develop and implement coordinated early intervening educational services. The services are designed to directly benefit nondisabled children who need additional academic and behavioral support to succeed in the general education environment. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446).

Education of Homeless (24113) – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Authorized by McKinney-Vento Homeless Assistance Act, Title VII-B, as reauthorized by the No Child Left Behind Act of 2001 (Public Law 107-110).

IDEA-B Private Schools Share (24115) – To account for the proportionate allocation of Entitlement IDEA-B funds requested by private schools located within the District. Authorized by the Individuals with Disabilities Education Act of 2004, Title I, Part B (Public Law 108-446).

SPECIAL REVENUE FUNDS (continued)

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

21st Century Community Learning Centers (24119) – To account for federal funds utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12th grade focusing on the neighborhood and the community as a classroom. Authorized by the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act of 2001, Title IV, Part B (Public Law 107-110).

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. Authorized by the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act of 2001, Title III (Public Law 107-110).

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. Authorized by the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001, Title II, Part A, Sec. 2101-2151 (Public Law 107-110).

Immigrant Funding - Title III (24163) – Funds allocated to the District to support additional programs to improve the education performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. Authorized by the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001, Title III, Part B (Public Law 107-110).

Carl D. Perkins (Secondary – Current - 24174) (Secondary PY Obligation - 24175) (Secondary Redistribution - 24176) - The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Authorized by the Carl D. Perkins Vocational and Technical Education Act of 1998 (Public Law 105-332).

Carl D. Perkins (HSTW - Current – 24180) (HSTW – Unliquidated – 24181) (HSTW - Redistribution – 24182) – To account for funds administered through the State Public Education Office to the deployment of the HSTW framework is intended to improve student achievement, increase graduation rates and provide relevant and rigorous high school instruction. Authorized by the Carl D. Perkins Vocational and Technical Education Act of 1998 (Public Law 105-332).

Title XIX Medicaid 3/21 Years (25153) – To account for funds to provide school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for creation of this fund is the New Mexico Public Education Department.

Save The Children (26143) – Grant funds used to provide children, who are struggling readers from Berino Elementary and Mesquite Elementary, a safe place with daily literacy activities, guided physical activities, and healthy snacks. Authority for creation of this fund is the New Mexico Public Education Department.

Spaceport GRT Grant – Dona Ana County (26204) – To account for funds received from Dona Ana County to be used to supplement science, technology, engineering, and math programs for Grades 6 through 12. Authority for creation of this fund is the New Mexico Public Education Department.

SPECIAL REVENUE FUNDS (continued)

The Bridge of Southern New Mexico (26215) – Grant funds awarded from The Bridge of Southern New Mexico Daniels Fund Grant to expand Early College High Schools throughout New Mexico. Authority for creation of this fund is the New Mexico Public Education Department.

Dual Credit Instructional Materials (27103) – To account for legislative appropriations for dual credit instructional materials. Instructional materials are for courses approved by the NM Higher Education Department and through an approved agreement between the District and a college/university. Authority for the creation of this fund is the New Mexico Public Education Department.

2012 GO Bond Student Library (27107) – To account for funds provided to be used for library resource acquisitions, including library books for public school libraries. Authority for the creation of this fund is the New Mexico Public Education Department.

NM Reads to Lead K-3 Initiative (27114) – Funds appropriated by the NM Legislature to support the implementation of the New Mexico Reads to Lead initiative for grades K-3. Authority for the creation of this fund is the New Mexico Public Education Department.

Teacher/School Leader Stipend At-Risk & Advanced Placement (27122) – To account for legislative appropriations to provide stipends to teachers serving specific At-Risk and Advanced Placement students as identified by the State of New Mexico. Authority for the creation of this fund is the New Mexico Public Education Department.

Pre-K Initiative (27149) – To account for legislative appropriations for the purpose of providing high quality Pre-K services that align to NM Pre-K standards to underserved 4-year-olds in the District. To expand early childhood educational capacity so that all families of 4-year-olds in the district who want to enroll their child in a high quality Pre-K program can do so, regardless of income or ethnicity. Authority for the creation of this fund is the New Mexico Public Education Department.

Breakfast for Elementary Students (27155) – To account for legislative appropriations to implement Breakfast in the Classroom for elementary schools in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

Kindergarten - Three Plus (27166) – To account for legislative appropriations to provide an extended school year for kindergarten through third grade students. The program focuses on acclimating young students to the structure of a classroom environment and spending additional instructional time to prepare students for the next grade level. Authority for the creation of this fund is the New Mexico Public Education Department.

Science Instructional Materials K-12 (27176) – To account for legislative appropriations for public school science instructional materials statewide to be utilized during regular instructional hours and is not intended for after school programs. The funds are available for the acquisition of science instructional materials (kits, kit refills or supplies needed for inquiry or project-based science instruction). Authority for the creation of this fund is the New Mexico Public Education Department.

Next Generation Assessments (27185) – To account for legislative appropriations to remediate deficiencies in computer devices not compliant with the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment technology requirements. Authority for the creation of this fund is the New Mexico Public Education Department.

SPECIAL REVENUE FUNDS (continued)

ALD4ALL Kellogg Foundation (27401) – To account for funding awarded through the NM PED Bilingual Multicultural Education Bureau and the W.K. Kellogg Foundation to support the participation of the District’s bilingual multicultural education program teams in the ALD4ALL professional learning training. Authority for the creation of this fund is the New Mexico Public Education Department.

Start Smart K-3 Plus Utah State Study (28191) – Funding provided through a sub-grant award through Utah State University to establish additional K-3 Plus programs at Berino and Riverside Elementary Schools. A pilot program which includes data collection to evaluate the impact of providing extended instructional days for Kindergarten through Third Grade students. Authority for creation of this fund is the New Mexico Public Education Department.

CYFD Parents As Teachers Model (28193) – To account for funding provided from a collaborative with the NM Children, Youth and Families Department (CYFD) to support the Parents As Teachers Model in the District. The Parents As Teachers Model supports families of children, prenatal through age five, who request support in the areas of parent-child interaction, development centered parenting, and family well-being. Authority for creation of this fund is the New Mexico Public Education Department.

Private Direct Grants (29102) – To account for various private direct grants allocated to the school district. Authority for creation of this fund is the New Mexico Public Education Department.

Industrial Revenue Bonds Payments in Lieu of Taxes (29135) – Funds received from a Solar Facility located in the District. Funds are for student instruction support. Authority for creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Athletics 22000	Non-Instructional Support 23000	Migrant Children Education 24103	Entitlement IDEA-B 24106
ASSETS				
Cash and cash equivalents	\$ 529,514	\$ 491,294	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Intergovernmental receivables	-	-	22,343	669,142
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Total Assets	<u>529,514</u>	<u>491,294</u>	<u>22,343</u>	<u>669,142</u>
LIABILITIES				
Accounts payable	-	6,018	-	63
Accrued payroll liabilities	-	-	1,641	146,097
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	20,702	522,982
Total liabilities	<u>-</u>	<u>6,018</u>	<u>22,343</u>	<u>669,142</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	154,513	35,088	-	-
Committed	-	-	-	-
Assigned	375,001	450,188	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>529,514</u>	<u>485,276</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 529,514</u>	<u>\$ 491,294</u>	<u>\$ 22,343</u>	<u>\$ 669,142</u>

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

Discretionary IDEA-B 24107	New Mexico Autism Project 24108	Preschool IDEA-B 24109	IDEA-B Early Intervention 24112	Education of Homeless 24113
\$ -	\$ 627	\$ -	\$ -	\$ -
-	-	-	-	-
-	42	10,471	4,775	10,094
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	669	10,471	4,775	10,094
-	-	-	-	-
-	-	1,622	1,185	-
-	-	-	-	-
-	42	8,849	3,590	10,094
-	42	10,471	4,775	10,094
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	627	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	627	-	-	-
\$ -	\$ 669	\$ 10,471	\$ 4,775	\$ 10,094

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	IDEA-B Private Schools Share 24115	Fresh Fruit & Vegetables 24118	21st Century Community Learning Centers 24119	IDEA-B "Risk Pool" 24120
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	693	-	239,696	2,995
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Total Assets	693	-	239,696	2,995
LIABILITIES				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	4,481	721
Accrued compensated absences	-	-	-	-
Interfund payables	693	-	235,215	2,274
Total liabilities	693	-	239,696	2,995
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-grants	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	-	-	-	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 693	\$ -	\$ 239,696	\$ 2,995

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Immigrant Funding - Title III 24163	Carl D Perkins Secondary - Current 24174	Carl D Perkins Secondary PY Obligation 24175
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
164,211	226,747	33,894	100,472	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>164,211</u>	<u>226,747</u>	<u>33,894</u>	<u>100,472</u>	<u>-</u>
-	-	-	5,016	-
3,273	45,077	626	760	-
-	-	-	-	-
160,938	181,670	33,268	94,696	-
<u>164,211</u>	<u>226,747</u>	<u>33,894</u>	<u>100,472</u>	<u>-</u>
-	-	-	-	-
-	226,747	-	5,103	-
-	226,747	-	5,103	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(226,747)	-	(5,103)	-
-	(226,747)	-	(5,103)	-
<u>\$ 164,211</u>	<u>\$ 226,747</u>	<u>\$ 33,894</u>	<u>\$ 100,472</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Carl D Perkins Secondary Redistribution 24176	Carl D Perkins HSTW - Current 24180	Carl D Perkins HSTW - Unliquidated 24181	Carl D Perkins HSTW - Redistribution 24182
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	18,188	48,938	-	3,683
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Total Assets	<u>18,188</u>	<u>48,938</u>	<u>-</u>	<u>3,683</u>
LIABILITIES				
Accounts payable	-	-	-	-
Accrued payroll liabilities	2,555	1,091	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	15,633	47,847	-	3,683
Total liabilities	<u>18,188</u>	<u>48,938</u>	<u>-</u>	<u>3,683</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-grants	-	10,958	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>10,958</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	(10,958)	-	-
Total fund balances	<u>-</u>	<u>(10,958)</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,188</u>	<u>\$ 48,938</u>	<u>\$ -</u>	<u>\$ 3,683</u>

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

Title XIX Medicaid 3/21 Years 25153	Save the Children 26143	Spaceport GRT Grant - Dona Ana County 26204	The Bridge of Southern New Mexico 26215	Dual Credit Instructional Materials 27103
\$ 914,989	\$ -	\$ 1,454,177	\$ 7,449	\$ -
-	-	-	-	-
174,431	8,556	-	-	2,848
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,089,420</u>	<u>8,556</u>	<u>1,454,177</u>	<u>7,449</u>	<u>2,848</u>
3,357	-	51,077	-	-
34,134	10	17,338	-	-
-	-	-	-	-
-	8,546	-	-	2,848
<u>37,491</u>	<u>8,556</u>	<u>68,415</u>	<u>-</u>	<u>2,848</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
449,236	-	335,761	-	-
-	-	-	-	-
602,693	-	1,050,001	7,449	-
-	-	-	-	-
<u>1,051,929</u>	<u>-</u>	<u>1,385,762</u>	<u>7,449</u>	<u>-</u>
<u>\$ 1,089,420</u>	<u>\$ 8,556</u>	<u>\$ 1,454,177</u>	<u>\$ 7,449</u>	<u>\$ 2,848</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	2012 GO Bond Student Library 27107	NM Reads to Lead K-3 Initiative 27114	Teacher/School Leader Stipend At-Risk & Advanced Placement 27122	Pre-K Initiative 27149
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	1,231	69,699	-	265,930
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Total Assets	1,231	69,699	-	265,930
LIABILITIES				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	4,080	-	52,289
Accrued compensated absences	-	-	-	-
Interfund payables	1,231	65,619	-	213,641
Total liabilities	1,231	69,699	-	265,930
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-grants	1,231	-	-	-
Total Deferred Inflows of Resources	1,231	-	-	-
FUND BALANCES:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	(1,231)	-	-	-
Total fund balances	(1,231)	-	-	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,231	\$ 69,699	\$ -	\$ 265,930

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

Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	Science Instructional Materials K-12 27176	Next Generation Assessments 27185	ALD4ALL Kellogg Foundation 27401
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	574,956	-	-	338
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	574,956	-	-	338
-	-	-	-	-
-	105,827	-	-	-
-	-	-	-	-
-	469,129	-	-	338
-	574,956	-	-	338
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ 574,956	\$ -	\$ -	\$ 338

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	<u>Start Smart K-3 Plus Utah State Study 28191</u>	<u>CYFD Parents as Teachers Model 28193</u>	<u>Private Direct Grants 29102</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable			
Taxes	-	-	-
Due from other governments	27,004	58,291	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
Total Assets	<u>27,004</u>	<u>58,291</u>	<u>-</u>
LIABILITIES			
Accounts payable	-	1,642	-
Accrued payroll liabilities	4,191	4,608	-
Accrued compensated absences	-	-	-
Interfund payables	22,813	52,041	-
Total liabilities	<u>27,004</u>	<u>58,291</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-property taxes	-	-	-
Unavailable revenue-grants	-	-	-
Total Deferrred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:			
Nonspendable	-	-	-
Spendable:			
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned (deficit)	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,004</u>	<u>\$ 58,291</u>	<u>\$ -</u>

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

Industrial Revenue	
Bonds Payments in	
Lieu of Taxes	
29135	Total
<u> </u>	<u> </u>
\$ 344,980	\$ 3,743,030
-	-
-	2,739,668
-	-
-	-
<u> </u>	<u> </u>
<u>344,980</u>	<u>6,482,698</u>
-	67,173
-	431,606
-	-
-	2,178,382
<u> </u>	<u> </u>
<u> </u>	<u>2,677,161</u>
-	-
<u> </u>	<u>244,039</u>
<u> </u>	<u>244,039</u>
-	-
-	975,225
67,805	67,805
277,175	2,762,507
<u> </u>	<u>(244,039)</u>
<u>344,980</u>	<u>3,561,498</u>
<u>\$ 344,980</u>	<u>\$ 6,482,698</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	Athletics 22000	Non-Instructional Support 23000	Migrant Children Education 24103	Entitlement IDEA-B 24106
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	79,062	3,235,499
Charges for services	131,797	503,310	-	-
Miscellaneous	-	73,597	-	-
Interest	414	594	-	-
<i>Total Revenues</i>	<u>132,211</u>	<u>577,501</u>	<u>79,062</u>	<u>3,235,499</u>
<i>Expenditures:</i>				
Current:				
Instruction	19,604	632,996	23,928	1,345,755
Support Services				
Students	-	-	40,855	822,428
Instruction	-	-	12,062	796,094
General Administration	-	-	1,339	54,847
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	556	17,383
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	198,977
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>19,604</u>	<u>632,996</u>	<u>78,740</u>	<u>3,235,484</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>112,607</u>	<u>(55,495)</u>	<u>322</u>	<u>15</u>
<i>Other financing sources (uses):</i>				
Return of cash to PED	-	-	(322)	(15)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(322)</u>	<u>(15)</u>
<i>Net changes in fund balance</i>	<u>112,607</u>	<u>(55,495)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>416,907</u>	<u>540,771</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 529,514</u>	<u>\$ 485,276</u>	<u>\$ -</u>	<u>\$ -</u>

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

Discretionary IDEA-B 24107	New Mexico Autism Project 24108	Preschool IDEA-B 24109	IDEA-B Early Intervention 24112	Education of Homeless 24113
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	7,453	75,131	39,509	20,036
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	7,453	75,131	39,509	20,036
-	4,174	17,190	-	-
-	2,652	47,743	-	20,036
-	-	8,920	38,837	-
-	-	1,278	672	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	6,826	75,131	39,509	20,036
-	627	-	-	-
-	-	-	-	-
-	-	-	-	-
-	627	-	-	-
-	-	-	-	-
\$ -	\$ 627	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	IDEA-B Private Schools Share 24115	Fresh Fruit & Vegetables 24118	21st Century Community Learning Centers 24119	IDEA-B "Risk Pool" 24120
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	7,080	324,039	1,009,704	2,995
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>7,080</u>	<u>324,039</u>	<u>1,009,704</u>	<u>2,995</u>
<i>Expenditures:</i>				
Current:				
Instruction	7,080	-	428,537	-
Support Services				
Students	-	-	-	2,944
Instruction	-	-	62,134	-
General Administration	-	-	113,680	51
School Administration	-	-	-	-
Central Services	-	-	27,013	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	324,039	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>7,080</u>	<u>324,039</u>	<u>631,364</u>	<u>2,995</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>378,340</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>378,340</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(378,340)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Immigrant Funding - Title III 24163	Carl D Perkins Secondary - Current 24174	Carl D Perkins Secondary PY Obligation 24175
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
347,118	626,340	77,967	171,549	868
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>347,118</u>	<u>626,340</u>	<u>77,967</u>	<u>171,549</u>	<u>868</u>
345,719	741,604	77,967	174,074	868
-	-	-	-	-
150	95,570	-	-	-
-	14,483	-	2,578	-
1,249	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>347,118</u>	<u>851,657</u>	<u>77,967</u>	<u>176,652</u>	<u>868</u>
-	(225,317)	-	(5,103)	-
-	(1,430)	-	-	-
-	(1,430)	-	-	-
-	(226,747)	-	(5,103)	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ (226,747)</u>	<u>\$ -</u>	<u>\$ (5,103)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	Carl D Perkins Secondary Redistribution	Carl D Perkins HSTW - Current	Carl D Perkins HSTW - Unliquidated	Carl D Perkins HSTW - Redistribution
	24176	24180	24181	24182
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	18,188	77,034	2,515	25,232
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>18,188</u>	<u>77,034</u>	<u>2,515</u>	<u>25,232</u>
<i>Expenditures:</i>				
Current:				
Instruction	18,188	86,496	2,515	25,232
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	1,496	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>18,188</u>	<u>87,992</u>	<u>2,515</u>	<u>25,232</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(10,958)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>(10,958)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (10,958)</u>	<u>\$ -</u>	<u>\$ -</u>

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

Title XIX Medicaid 3/21 Years 25153	Save the Children 26143	Spaceport GRT Grant - Dona Ana County 26204	The Bridge of Southern New Mexico 26215	Dual Credit Instructional Materials 27103
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	18,988
851,022	-	-	-	-
-	-	-	-	-
-	51,280	653,192	-	-
-	-	-	-	-
<u>851,022</u>	<u>51,280</u>	<u>653,192</u>	<u>-</u>	<u>18,988</u>
-	51,280	391,977	37,738	18,988
556,872	-	-	-	-
190,078	-	-	-	-
12,914	-	6,918	-	-
-	-	-	-	-
-	-	-	-	-
2,238	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>762,102</u>	<u>51,280</u>	<u>398,895</u>	<u>37,738</u>	<u>18,988</u>
<u>88,920</u>	<u>-</u>	<u>254,297</u>	<u>(37,738)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>88,920</u>	<u>-</u>	<u>254,297</u>	<u>(37,738)</u>	<u>-</u>
<u>963,009</u>	<u>-</u>	<u>1,131,465</u>	<u>45,187</u>	<u>-</u>
<u>\$ 1,051,929</u>	<u>\$ -</u>	<u>\$ 1,385,762</u>	<u>\$ 7,449</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	2012 GO Bonds Student Library	NM Reads to Lead K-3 Initiative	Teacher/School Leader Stipend At-Risk & Advanced Placement	Pre-K Initiative
	27107	27114	27122	27149
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	194,997	-	1,461,487
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>-</u>	<u>194,997</u>	<u>-</u>	<u>1,461,487</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	194,997	-	1,240,906
Support Services				
Students	-	-	-	1,435
Instruction	1,231	-	-	31,111
General Administration	-	-	-	14,265
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	173,770
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>1,231</u>	<u>194,997</u>	<u>-</u>	<u>1,461,487</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,231)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>(1,231)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (1,231)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	Science Instructional Materials K-12 27176	Next Generation Assessments 27185	ALD4ALL Kellogg Foundation 27401
\$ -	\$ -	\$ -	\$ -	\$ -
155,890	1,750,135	-	-	9,737
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
155,890	1,750,135	-	-	9,737
-	1,399,016	-	-	9,357
-	30,261	-	-	-
-	37,010	-	-	-
-	-	-	-	-
-	108,141	-	-	380
-	-	-	-	-
-	-	-	-	-
-	175,707	-	-	-
-	-	-	-	-
155,890	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
155,890	1,750,135	-	-	9,737
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	Start Smart K-3 Plus Utah State Study 28191	CYFD Parents as Teachers Model 28193	Private Direct Grants 29102
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	107,125	102,163	-
Federal grants	-	-	-
Charges for services	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total Revenues</i>	<u>107,125</u>	<u>102,163</u>	<u>-</u>
<i>Expenditures:</i>			
Current:			
Instruction	99,535	-	-
Support Services			
Students	-	100,542	-
Instruction	-	-	-
General Administration	-	1,621	-
School Administration	7,590	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service - Principal	-	-	-
Debt Service - Interest	-	-	-
<i>Total Expenditures</i>	<u>107,125</u>	<u>102,163</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Return of cash to PED	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Industrial Revenue	
Bonds Payments in	
Lieu of Taxes	
29135	Total
\$ -	\$ -
-	3,800,522
-	6,998,341
-	635,107
109,136	887,205
-	1,008
<u>109,136</u>	<u>12,322,183</u>
58,242	7,453,963
-	1,625,768
-	1,273,197
-	226,142
-	117,360
-	27,013
-	20,177
-	349,477
-	-
-	479,929
-	198,977
-	-
-	-
-	-
<u>58,242</u>	<u>11,772,003</u>
<u>50,894</u>	<u>550,180</u>
-	(1,767)
-	(1,767)
<u>50,894</u>	<u>548,413</u>
<u>294,086</u>	<u>3,013,085</u>
<u>\$ 344,980</u>	<u>\$ 3,561,498</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
ATHLETICS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	110,000	110,000	131,797	21,797
Interest	-	-	414	414
<i>Total revenues</i>	<u>110,000</u>	<u>110,000</u>	<u>132,211</u>	<u>22,211</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	523,514	527,268	19,965	507,303
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>523,514</u>	<u>527,268</u>	<u>19,965</u>	<u>507,303</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(413,514)</u>	<u>(417,268)</u>	<u>112,246</u>	<u>529,514</u>
<i>Other financing sources (uses):</i>				
Designated cash	413,514	417,268	-	(417,268)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>413,514</u>	<u>417,268</u>	<u>-</u>	<u>(417,268)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>112,246</u>	<u>112,246</u>
<i>Fund balances - beginning of year</i>		<u>-</u>	<u>417,268</u>	<u>417,268</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 529,514</u>	<u>\$ 529,514</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
Adjustments to expenditures			<u>361</u>	
<i>Net changes in fund balances</i>			<u>\$ 112,607</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NON-INSTRUCTIONAL SUPPORT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	420,000	420,000	576,907	156,907
Interest	-	-	594	594
<i>Total revenues</i>	<u>420,000</u>	<u>420,000</u>	<u>577,501</u>	<u>157,501</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	898,919	964,712	630,919	333,793
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>898,919</u>	<u>964,712</u>	<u>630,919</u>	<u>333,793</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(478,919)</u>	<u>(544,712)</u>	<u>(53,418)</u>	<u>491,294</u>
<i>Other financing sources (uses):</i>				
Designated cash	478,919	544,712	-	(544,712)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>478,919</u>	<u>544,712</u>	<u>-</u>	<u>(544,712)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(53,418)</u>	<u>(53,418)</u>
<i>Fund balances - beginning of year</i>		<u>-</u>	<u>544,712</u>	<u>544,712</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 491,294</u>	<u>\$ 491,294</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
Adjustments to expenditures			<u>(2,077)</u>	
<i>Net changes in fund balances</i>			<u>\$ (55,495)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
MIGRANT CHILDREN EDUCATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	117,000	165,422	95,455	(69,967)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>117,000</u>	<u>165,422</u>	<u>95,455</u>	<u>(69,967)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	38,500	40,627	23,928	16,699
Support Services				
Students	61,113	101,655	40,855	60,800
Instruction	14,297	18,227	12,062	6,165
General Administration	1,990	2,813	1,339	1,474
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	1,100	2,100	556	1,544
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>117,000</u>	<u>165,422</u>	<u>78,740</u>	<u>86,682</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>16,715</u>	<u>16,715</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	(322)	(322)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(322)</u>	<u>(322)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>16,393</u>	<u>16,393</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(38,736)</u>	<u>(38,736)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,343)</u>	<u>\$ (22,343)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(16,393)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
ENTITLEMENT IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	2,883,282	3,615,471	3,181,791	(433,680)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,883,282</u>	<u>3,615,471</u>	<u>3,181,791</u>	<u>(433,680)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,256,847	1,544,823	1,346,041	198,782
Support Services				
Students	675,738	877,738	822,647	55,091
Instruction	779,679	825,679	801,963	23,716
General Administration	49,881	62,694	54,847	7,847
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	22,435	27,835	17,383	10,452
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	98,702	276,702	198,977	77,725
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,883,282</u>	<u>3,615,471</u>	<u>3,241,858</u>	<u>373,613</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(60,067)</u>	<u>(60,067)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	(15)	(15)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(15)</u>	<u>(15)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(60,082)</u>	<u>(60,082)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(609,060)</u>	<u>(609,060)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (669,142)</u>	<u>\$ (669,142)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			53,708	
Adjustments to expenditures			6,374	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NEW MEXICO AUTISM PROJECT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	11,000	15,143	4,143
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,000</u>	<u>15,143</u>	<u>4,143</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	5,600	4,174	1,426
Support Services				
Students	-	5,400	2,652	2,748
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,000</u>	<u>6,826</u>	<u>4,174</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,317</u>	<u>8,317</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,317</u>	<u>8,317</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,732)</u>	<u>(7,732)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 585</u>	<u>\$ 585</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(7,690)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ 627</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
PRESCHOOL IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	65,044	83,207	74,439	(8,768)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>65,044</u>	<u>83,207</u>	<u>74,439</u>	<u>(8,768)</u>
<i>Expenditures:</i>				
Current:				
Instruction	15,000	21,679	17,190	4,489
Support Services				
Students	39,769	50,769	47,743	3,026
Instruction	9,168	9,338	8,920	418
General Administration	1,107	1,421	1,278	143
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>65,044</u>	<u>83,207</u>	<u>75,131</u>	<u>8,076</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(692)</u>	<u>(692)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(692)</u>	<u>(692)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(9,779)</u>	<u>(9,779)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,471)</u>	<u>\$ (10,471)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			692	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
IDEA-B EARLY INTERVENTION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	39,741	39,741	50,114	10,373
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	39,741	39,741	50,114	10,373
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	39,024	39,024	38,837	187
General Administration	717	717	672	45
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	39,741	39,741	39,509	232
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	10,605	10,605
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	10,605	10,605
<i>Fund balances - beginning of year</i>	-	-	(15,380)	(15,380)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (4,775)	\$ (4,775)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(10,605)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
EDUCATION OF HOMELESS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-11

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	18,000	20,036	19,798	(238)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>18,000</u>	<u>20,036</u>	<u>19,798</u>	<u>(238)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	18,000	20,036	20,036	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,000</u>	<u>20,036</u>	<u>20,036</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(238)</u>	<u>(238)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(238)</u>	<u>(238)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(9,856)</u>	<u>(9,856)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,094)</u>	<u>\$ (10,094)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			238	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
IDEA-B PRIVATE SCHOOLS SHARE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	8,473	6,387	(2,086)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	8,473	6,387	(2,086)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	8,473	7,080	1,393
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	8,473	7,080	1,393
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(693)	(693)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(693)	(693)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (693)	\$ (693)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			693	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
FRESH FRUIT & VEGETABLES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	399,253	324,039	(75,214)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	399,253	324,039	(75,214)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	399,253	324,039	75,214
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	399,253	324,039	75,214
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
21ST CENTURY COMMUNITY LEARNING CENTERS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	876,999	770,008	(106,991)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	876,999	770,008	(106,991)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	616,071	428,537	187,534
Support Services				
Students	-	-	-	-
Instruction	-	63,005	62,134	871
General Administration	-	160,348	113,680	46,668
School Administration	-	-	-	-
Central Services	-	30,000	27,013	2,987
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	7,575	-	7,575
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	876,999	631,364	245,635
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	138,644	138,644
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	138,644	138,644
<i>Fund balances - beginning of year</i>	-	-	(378,340)	(378,340)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (239,696)	\$ (239,696)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			239,696	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ 378,340	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
IDEA-B "RISK POOL" SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	3,361	32,211	28,850
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,361</u>	<u>32,211</u>	<u>28,850</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	3,303	2,944	359
Instruction	-	-	-	-
General Administration	-	58	51	7
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,361</u>	<u>2,995</u>	<u>366</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>29,216</u>	<u>29,216</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>29,216</u>	<u>29,216</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(32,211)</u>	<u>(32,211)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,995)</u>	<u>\$ (2,995)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(29,216)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	369,727	558,895	260,804	(298,091)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>369,727</u>	<u>558,895</u>	<u>260,804</u>	<u>(298,091)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	354,727	543,895	345,719	198,176
Support Services				
Students	-	-	-	-
Instruction	10,500	10,500	150	10,350
General Administration	-	-	-	-
School Administration	4,500	4,500	1,249	3,251
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>369,727</u>	<u>558,895</u>	<u>347,118</u>	<u>211,777</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(86,314)</u>	<u>(86,314)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of cash to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(86,314)</u>	<u>(86,314)</u>
<i>Fund balances - beginning of year</i>		<u>-</u>	<u>(77,897)</u>	<u>(77,897)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (164,211)</u>	<u>\$ (164,211)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			86,314	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-17

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	957,306	1,403,248	838,807	(564,441)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>957,306</u>	<u>1,403,248</u>	<u>838,807</u>	<u>(564,441)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	785,723	1,220,081	741,604	478,477
Support Services				
Students	-	-	-	-
Instruction	145,303	149,303	95,570	53,733
General Administration	16,280	23,864	14,483	9,381
School Administration	10,000	10,000	-	10,000
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>957,306</u>	<u>1,403,248</u>	<u>851,657</u>	<u>551,591</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,850)</u>	<u>(12,850)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Return of funds to PED	-	-	(1,430)	(1,430)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,430)</u>	<u>(1,430)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,280)</u>	<u>(14,280)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(212,467)</u>	<u>(212,467)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (226,747)</u>	<u>\$ (226,747)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(212,467)	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ (226,747)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
IMMIGRANT FUNDING - TITLE III SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-18

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	145,145	98,928	(46,217)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>145,145</u>	<u>98,928</u>	<u>(46,217)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	145,145	77,967	67,178
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>145,145</u>	<u>77,967</u>	<u>67,178</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>20,961</u>	<u>20,961</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>20,961</u>	<u>20,961</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(54,855)</u>	<u>(54,855)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,894)</u>	<u>\$ (33,894)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(20,961)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS SECONDARY - CURRENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-19

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	166,761	213,684	121,322	(92,362)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>166,761</u>	<u>213,684</u>	<u>121,322</u>	<u>(92,362)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	157,925	204,153	174,074	30,079
Support Services				
Students	4,000	4,000	-	4,000
Instruction	2,000	2,000	-	2,000
General Administration	2,836	3,531	2,578	953
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>166,761</u>	<u>213,684</u>	<u>176,652</u>	<u>37,032</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(55,330)</u>	<u>(55,330)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(55,330)</u>	<u>(55,330)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(45,142)</u>	<u>(45,142)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100,472)</u>	<u>\$ (100,472)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			50,227	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ (5,103)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS SECONDARY PY OBLIGATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	869	868	(1)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	869	868	(1)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	869	868	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	869	868	1
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS SECONDARY REDISTRIBUTION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-21

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	57,239	-	(57,239)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>57,239</u>	<u>-</u>	<u>(57,239)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	57,239	18,188	39,051
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>57,239</u>	<u>18,188</u>	<u>39,051</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,188)</u>	<u>(18,188)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(18,188)</u>	<u>(18,188)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>0</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,188)</u>	<u>\$ (18,188)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			18,188	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS HSTW - CURRENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	57,701	88,168	81,000	(7,168)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>57,701</u>	<u>88,168</u>	<u>81,000</u>	<u>(7,168)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	56,719	86,668	86,496	172
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	982	1,500	1,496	4
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>57,701</u>	<u>88,168</u>	<u>87,992</u>	<u>176</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,992)</u>	<u>(6,992)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,992)</u>	<u>(6,992)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(41,946)</u>	<u>(41,946)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (48,938)</u>	<u>\$ (48,938)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(3,966)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ (10,958)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS HSTW - UNLIQUIDATED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	2,515	2,515	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,515</u>	<u>2,515</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,515	2,515	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,515</u>	<u>2,515</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CARL D PERKINS HSTW - REDISTRIBUTION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-24

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	56,322	24,510	(31,812)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>56,322</u>	<u>24,510</u>	<u>(31,812)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	56,322	25,232	31,090
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>56,322</u>	<u>25,232</u>	<u>31,090</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(722)</u>	<u>(722)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(722)</u>	<u>(722)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,961)</u>	<u>(2,961)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,683)</u>	<u>\$ (3,683)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			722	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-25

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	800,000	800,000	858,543	58,543
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>800,000</u>	<u>800,000</u>	<u>858,543</u>	<u>58,543</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	2,000	2,000	-	2,000
Support Services				
Students	971,500	971,500	556,954	414,546
Instruction	691,277	589,713	187,462	402,251
General Administration	15,500	15,500	12,914	2,586
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	3,000	3,000	2,072	928
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,683,277</u>	<u>1,581,713</u>	<u>759,402</u>	<u>822,311</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(883,277)</u>	<u>(781,713)</u>	<u>99,141</u>	<u>880,854</u>
<i>Other financing sources (uses):</i>				
Designated cash	883,277	781,713	-	(781,713)
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>883,277</u>	<u>781,713</u>	<u>-</u>	<u>(781,713)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>99,141</u>	<u>99,141</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>781,714</u>	<u>781,714</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 880,855</u>	<u>\$ 880,855</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(7,521)	
Adjustments to expenditures			(2,700)	
<i>Net changes in fund balances</i>			<u>\$ 88,920</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SAVE THE CHILDREN SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-26

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	51,568	51,016	(552)
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>51,568</u>	<u>51,016</u>	<u>(552)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	51,568	51,280	288
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>51,568</u>	<u>51,280</u>	<u>288</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(264)</u>	<u>(264)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(264)</u>	<u>(264)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,292)</u>	<u>(8,292)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,556)</u>	<u>\$ (8,556)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			264	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SPACEPORT GRT GRANT - DONA ANA COUNTY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-27

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	280,885	982,920	702,035
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>280,885</u>	<u>982,920</u>	<u>702,035</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,167,997	1,115,195	399,873	715,322
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	20,208	20,208	6,918	13,290
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,188,205</u>	<u>1,135,403</u>	<u>406,791</u>	<u>728,612</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,188,205)</u>	<u>(854,518)</u>	<u>576,129</u>	<u>1,430,647</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,188,205	854,518	-	(854,518)
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,188,205</u>	<u>854,518</u>	<u>-</u>	<u>(854,518)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>576,129</u>	<u>576,129</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>854,518</u>	<u>854,518</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,430,647</u>	<u>\$ 1,430,647</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(329,728)	
Adjustments to expenditures			<u>7,896</u>	
<i>Net changes in fund balances</i>			<u>\$ 254,297</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
THE BRIDGE OF SOUTHERN NEW MEXICO SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	102,796	45,187	37,738	7,449
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	102,796	45,187	37,738	7,449
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(102,796)	(45,187)	(37,738)	7,449
<i>Other financing sources (uses):</i>				
Designated cash	102,796	45,187	-	(45,187)
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	102,796	45,187	-	(45,187)
<i>Net changes in fund balances</i>	-	-	(37,738)	(37,738)
<i>Fund balances - beginning of year</i>	-	-	45,187	45,187
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 7,449	\$ 7,449
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ (37,738)	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
DUAL CREDIT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-29

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	18,988	28,361	9,373
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>18,988</u>	<u>28,361</u>	<u>9,373</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	18,988	18,988	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>18,988</u>	<u>18,988</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>9,373</u>	<u>9,373</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>9,373</u>	<u>9,373</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(12,221)</u>	<u>(12,221)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,848)</u>	<u>\$ (2,848)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(9,373)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
2012 GO BOND STUDENT LIBRARY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-30

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,484	48,653	47,169
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,484</u>	<u>48,653</u>	<u>47,169</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	1,484	1,231	253
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,484</u>	<u>1,231</u>	<u>253</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>47,422</u>	<u>47,422</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>47,422</u>	<u>47,422</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(48,653)</u>	<u>(48,653)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,231)</u>	<u>\$ (1,231)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(48,653)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ (1,231)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NM READS TO LEAD K-3 INITIATIVE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-31

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	195,000	195,000	158,170	(36,830)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>195,000</u>	<u>195,000</u>	<u>158,170</u>	<u>(36,830)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	195,000	195,000	194,997	3
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>195,000</u>	<u>195,000</u>	<u>194,997</u>	<u>3</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(36,827)</u>	<u>(36,827)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(36,827)</u>	<u>(36,827)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(32,872)</u>	<u>(32,872)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (69,699)</u>	<u>\$ (69,699)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			36,827	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-32

GADSDEN INDEPENDENT SCHOOLS

TEACHER/SCHOOL LEADER STIPEND AT-RISK & ADVANCED PLACEMENT SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	25,000	25,000
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(25,000)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
PRE-K INITIATIVE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-33

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,645,000	1,645,000	1,716,633	71,633
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,645,000</u>	<u>1,645,000</u>	<u>1,716,633</u>	<u>71,633</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,369,212	1,402,312	1,240,906	161,406
Support Services				
Students	43,200	9,131	1,435	7,696
Instruction	40,000	40,969	31,111	9,858
General Administration	16,288	16,288	14,265	2,023
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	1,300	1,300	-	1,300
Student Transportation	175,000	175,000	173,770	1,230
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,645,000</u>	<u>1,645,000</u>	<u>1,461,487</u>	<u>183,513</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>255,146</u>	<u>255,146</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>255,146</u>	<u>255,146</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(521,076)</u>	<u>(521,076)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (265,930)</u>	<u>\$ (265,930)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(255,146)	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-34

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	156,521	155,890	(631)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>156,521</u>	<u>155,890</u>	<u>(631)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	156,521	155,890	631
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>156,521</u>	<u>155,890</u>	<u>631</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
KINDERGARTEN - THREE PLUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-35

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,884,212	1,791,170	1,640,001	(151,169)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,884,212</u>	<u>1,791,170</u>	<u>1,640,001</u>	<u>(151,169)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,620,607	1,405,892	1,399,016	6,876
Support Services				
Students	25,317	37,269	30,261	7,008
Instruction	23,075	38,641	37,010	1,631
General Administration	-	-	-	-
School Administration	55,213	109,368	108,141	1,227
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	160,000	200,000	175,707	24,293
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,884,212</u>	<u>1,791,170</u>	<u>1,750,135</u>	<u>41,035</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(110,134)</u>	<u>(110,134)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(110,134)</u>	<u>(110,134)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(464,822)</u>	<u>(464,822)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (574,956)</u>	<u>\$ (574,956)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			110,134	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCIENCE INSTRUCTIONAL MATERIALS K-12 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-36

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
NEXT GENERATION ASSESSMENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-37

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	299,450	299,450
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	299,450	299,450
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	299,450	299,450
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	299,450	299,450
<i>Fund balances - beginning of year</i>	-	-	(299,450)	(299,450)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(299,450)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
ALD4ALL KELLOGG FOUNDATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-38

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	10,000	9,399	(601)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>10,000</u>	<u>9,399</u>	<u>(601)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	9,500	9,357	143
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	500	380	120
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>10,000</u>	<u>9,737</u>	<u>263</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(338)</u>	<u>(338)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(338)</u>	<u>(338)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (338)</u>	<u>\$ (338)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			338	
No adjustments to expenditures			<u>-</u>	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
START SMART K-3 PLUS UTAH STATE STUDY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	180,144	202,520	121,670	(80,850)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>180,144</u>	<u>202,520</u>	<u>121,670</u>	<u>(80,850)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	109,555	151,566	99,535	52,031
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	20,589	50,954	7,590	43,364
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	50,000	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>180,144</u>	<u>202,520</u>	<u>107,125</u>	<u>95,395</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>14,545</u>	<u>14,545</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>14,545</u>	<u>14,545</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(41,549)</u>	<u>(41,549)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,004)</u>	<u>\$ (27,004)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(14,545)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CYFD PARENTS AS TEACHERS MODEL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-40

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	202,850	43,872	(158,978)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>202,850</u>	<u>43,872</u>	<u>(158,978)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	193,340	98,900	94,440
Instruction	-	-	-	-
General Administration	-	3,510	1,621	1,889
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	6,000	-	6,000
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>202,850</u>	<u>100,521</u>	<u>102,329</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(56,649)</u>	<u>(56,649)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(56,649)</u>	<u>(56,649)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (56,649)</u>	<u>\$ (56,649)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			58,291	
Adjustments to expenditures			(1,642)	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-41

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
INDUSTRIAL REVENUE BOND PAYMENTS IN LIEU OF TAXES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-42

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	109,136	109,136
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>109,136</u>	<u>109,136</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	270,633	294,086	58,242	235,844
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>270,633</u>	<u>294,086</u>	<u>58,242</u>	<u>235,844</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(270,633)</u>	<u>(294,086)</u>	<u>50,894</u>	<u>344,980</u>
<i>Other financing sources (uses):</i>				
Designated cash	270,633	294,086	-	(294,086)
Operating transfers	-	-	-	-
Return of funds to PED	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>270,633</u>	<u>294,086</u>	<u>-</u>	<u>(294,086)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>50,894</u>	<u>50,894</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>294,086</u>	<u>294,086</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344,980</u>	<u>\$ 344,980</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ 50,894</u>	

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

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CAPITAL PROJECT FUNDS

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CAPITAL PROJECT FUNDS

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

Public School Capital Outlay (31200) – The Fund is used to account for capital projects funded from awards made by the Public School Capital Outlay Council. Authority for the creation of this fund is the New Mexico Public Education Department.

Special Capital Outlay – Local (31300) – To account revenues that are derived from local sources such as the sale of a building. Authority for the creation of this fund is the New Mexico Public Education Department.

Special Capital Outlay – State (31400) – To account for special appropriations monies received from the State of New Mexico. Authority for the creation of this fund is the New Mexico Public Education Department.

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 funding which is to be used by the District to promote the comprehensive integration of advances technologies in education setting, through the conduct of technical assistance, professional development, information and resource dissemination and collaboration activities. Authorization is NMSA 22-15A-1.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable			
Taxes	-	-	-
Intergovernmental receivables	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
Total Assets	-	-	-
LIABILITIES			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Total Liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-property taxes	-	-	-
Unavailable revenue-grants	-	-	-
Total Deferred Inflows of Resources	-	-	-
FUND BALANCES:			
Nonspendable	-	-	-
Spendable:			
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	-	-	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ -	\$ -

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

Statement C-1

	Capital Improvements SB-9 31700	Education Technology Equipment Act 31900	Total
\$	4,195,833	\$ 246,381	\$ 4,442,214
	308,116	-	308,116
	960,846	-	960,846
	-	-	-
	-	-	-
	-	-	-
	<u>5,464,795</u>	<u>246,381</u>	<u>5,711,176</u>
	262,985	34,961	297,946
	-	-	-
	-	-	-
	-	-	-
	<u>262,985</u>	<u>34,961</u>	<u>297,946</u>
	255,363	-	255,363
	960,846	-	960,846
	<u>1,216,209</u>	<u>-</u>	<u>1,216,209</u>
	-	-	-
	199,234	-	199,234
	-	-	-
	3,786,367	211,420	3,997,787
	-	-	-
	<u>3,985,601</u>	<u>211,420</u>	<u>4,197,021</u>
\$	<u>5,464,795</u>	<u>\$ 246,381</u>	<u>\$ 5,711,176</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	22,176
Federal grants	-	-	-
Charges for services	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>22,176</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	22,176
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>22,176</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

Capital Improvements SB-9 31700	Education Technology Equipment Act 31900	Total
\$ 1,693,155	\$ -	\$ 1,693,155
2,827,665	-	2,849,841
-	-	-
-	-	-
11,531	2,365	13,896
497	232	729
<u>4,532,848</u>	<u>2,597</u>	<u>4,557,621</u>
-	-	-
-	-	-
-	-	-
16,885	-	16,885
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,200,826	2,372,357	6,595,359
-	-	-
<u>4,217,711</u>	<u>2,372,357</u>	<u>6,612,244</u>
<u>315,137</u>	<u>(2,369,760)</u>	<u>(2,054,623)</u>
-	-	-
-	-	-
<u>315,137</u>	<u>(2,369,760)</u>	<u>(2,054,623)</u>
<u>3,670,464</u>	<u>2,581,180</u>	<u>6,251,644</u>
<u>\$ 3,985,601</u>	<u>\$ 211,420</u>	<u>\$ 4,197,021</u>

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
BOND BUILDING CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	12,615	12,615
Interest	15,000	15,000	17,422	2,422
<i>Total revenues</i>	<u>15,000</u>	<u>15,000</u>	<u>30,037</u>	<u>15,037</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	27,871,855	34,022,878	13,013,225	21,009,653
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>27,871,855</u>	<u>34,022,878</u>	<u>13,013,225</u>	<u>21,009,653</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(27,856,855)</u>	<u>(34,007,878)</u>	<u>(12,983,188)</u>	<u>21,024,690</u>
<i>Other financing sources (uses):</i>				
Designated cash	18,356,855	24,507,878	-	(24,507,878)
Operating transfers	-	-	-	-
Proceeds from bond issues	9,500,000	9,500,000	9,500,000	-
<i>Total other financing sources (uses)</i>	<u>27,856,855</u>	<u>34,007,878</u>	<u>9,500,000</u>	<u>(24,507,878)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,483,188)</u>	<u>(3,483,188)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>24,507,878</u>	<u>24,507,878</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,024,690</u>	<u>\$ 21,024,690</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			9,237,081	
Adjustments to expenditures			<u>(6,822,683)</u>	
<i>Net changes in fund balances</i>			<u>\$ (1,068,790)</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SPECIAL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	22,176	22,176	38,139	15,963
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	22,176	22,176	38,139	15,963
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	22,176	22,176	22,176	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	22,176	22,176	22,176	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	15,963	15,963
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	15,963	15,963
<i>Fund balances - beginning of year</i>	-	-	(15,963)	(15,963)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(15,963)	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			\$ -	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ 1,653,998	\$ 1,653,998	\$ 1,688,523	\$ 34,525
State grants	4,038,430	4,038,430	3,306,550	(731,880)
Federal grants	-	-	-	-
Miscellaneous	-	-	11,531	11,531
Interest	-	-	497	497
<i>Total revenues</i>	<u>5,692,428</u>	<u>5,692,428</u>	<u>5,007,101</u>	<u>(685,327)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	59,286	59,286	16,885	42,401
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	8,550,813	8,824,993	4,306,984	4,518,009
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,610,099</u>	<u>8,884,279</u>	<u>4,323,869</u>	<u>4,560,410</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,917,671)</u>	<u>(3,191,851)</u>	<u>683,232</u>	<u>3,875,083</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,917,671	3,191,851	-	(3,191,851)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,917,671</u>	<u>3,191,851</u>	<u>-</u>	<u>(3,191,851)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>683,232</u>	<u>683,232</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,191,851</u>	<u>3,191,851</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,875,083</u>	<u>\$ 3,875,083</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(474,253)	
Adjustments to expenditures			<u>106,158</u>	
<i>Net changes in fund balances</i>			<u>\$ 315,137</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
EDUCATION TECHNOLOGY EQUIPMENT ACT CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	2,365	2,365
Interest	-	-	232	232
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,597</u>	<u>2,597</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	2,536,944	2,602,422	2,358,638	243,784
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,536,944</u>	<u>2,602,422</u>	<u>2,358,638</u>	<u>243,784</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,536,944)</u>	<u>(2,602,422)</u>	<u>(2,356,041)</u>	<u>246,381</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,536,944	2,602,422	-	(2,602,422)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,536,944</u>	<u>2,602,422</u>	<u>-</u>	<u>(2,602,422)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,356,041)</u>	<u>(2,356,041)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,602,422</u>	<u>2,602,422</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,381</u>	<u>\$ 246,381</u>
<i>Reconciliation to GAAP Basis:</i>				
No adjustments to revenues			-	
Adjustments to expenditures			<u>(13,719)</u>	
<i>Net changes in fund balances</i>			<u>\$ (2,369,760)</u>	

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

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DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

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. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2015

Statement D-1

	Educational Technology Debt Service <u>43000</u>
ASSETS	
Cash and cash equivalents	\$ 2,121,919
Accounts receivable	
Taxes	312,094
Intergovernmental receivables	-
Interfund receivables	-
Other	-
Inventory	<u>-</u>
Total Assets	<u><u>2,434,013</u></u>
LIABILITIES	
Accounts payable	-
Accrued payroll liabilities	-
Accrued compensated absences	-
Interfund payables	-
Total Liabilities	<u><u>-</u></u>
DEFERRED INFLOWS OF RESOURCES:	
Unavailable revenue-property taxes	253,913
Unavailable revenue-grants	<u>-</u>
Total Deferrred Inflows of Resources	<u><u>253,913</u></u>
FUND BALANCES:	
Nonspendable	-
Spendable:	
Restricted	2,180,100
Committed	-
Assigned	-
Unassigned	<u>-</u>
Total Fund Balances	<u><u>2,180,100</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 2,434,013</u></u>

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

STATE OF NEW MEXICO Statement D-2
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

	Educational Technology Debt Service
<i>Revenues:</i>	43000
Property taxes	\$ 1,899,149
State grants	-
Federal grants	-
Charges for services	-
Miscellaneous	-
Interest	-
<i>Total revenues</i>	1,899,149
 <i>Expenditures:</i>	
Current:	
Instruction	-
Support Services	
Students	-
Instruction	-
General Administration	18,944
School Administration	-
Central Services	-
Operation & Maintenance of Plant	-
Student Transportation	-
Other Support Services	-
Food Services Operations	-
Community Service	-
Capital outlay	-
Debt service - Principal	1,750,000
Debt service - Interest	18,628
Bond Issuance Cost	-
<i>Total expenditures</i>	1,787,572
<i>Excess (deficiency) of revenues over (under) expenditures</i>	111,577
 <i>Other financing sources (uses):</i>	
Premiums on bonds issued	-
<i>Total other financing sources (uses)</i>	-
 <i>Net changes in fund balances</i>	111,577
 <i>Fund balances - beginning of year</i>	2,068,523
 <i>Fund balances - end of year</i>	\$ 2,180,100

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
DEBT SERVICE FUND

Statement D-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 10,462,852	\$ 10,462,852	\$ 10,270,210	\$ (192,642)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,462,852</u>	<u>10,462,852</u>	<u>10,270,210</u>	<u>(192,642)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	104,629	104,629	102,702	1,927
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service</i>				
Bond issuance cost	-	-	27,572	(27,572)
Reserve	10,124,490	10,149,868	-	10,149,868
Principal	9,130,000	9,130,000	9,130,000	-
Interest	1,332,852	1,332,852	1,255,674	77,178
<i>Total expenditures</i>	<u>20,691,971</u>	<u>20,717,349</u>	<u>10,515,948</u>	<u>10,201,401</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(10,229,119)</u>	<u>(10,254,497)</u>	<u>(245,738)</u>	<u>10,008,759</u>
<i>Other financing sources (uses):</i>				
Designated cash	10,229,119	10,254,497	-	(10,254,497)
Operating transfers	-	-	-	-
Premiums on bonds issued	-	-	327,341	327,341
<i>Total other financing sources (uses)</i>	<u>10,229,119</u>	<u>10,254,497</u>	<u>327,341</u>	<u>(9,927,156)</u>
<i>Net changes in fund balances</i>	-	-	81,603	81,603
<i>Fund balances - beginning of year</i>	-	-	10,254,497	10,254,497
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,336,100</u>	<u>\$ 10,336,100</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			29,085	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ 110,688</u>	

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
EDUCATIONAL TECHNOLOGY DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2015

Statement D-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 1,768,628	\$ 1,768,628	\$ 1,894,317	\$ 125,689
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,768,628</u>	<u>1,768,628</u>	<u>1,894,317</u>	<u>125,689</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	17,686	17,686	18,944	(1,258)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Bond issuance cost	-	-	-	-
Reserve	1,940,643	1,997,488	-	1,997,488
Principal	1,750,000	1,750,000	1,750,000	-
Interest	18,628	18,628	18,628	-
<i>Total expenditures</i>	<u>3,726,957</u>	<u>3,783,802</u>	<u>1,787,572</u>	<u>1,996,230</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,958,329)</u>	<u>(2,015,174)</u>	<u>106,745</u>	<u>2,121,919</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,958,329	2,015,174	-	(2,015,174)
Operating transfers	-	-	-	-
Premiums on bonds issued	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,958,329</u>	<u>2,015,174</u>	<u>-</u>	<u>(2,015,174)</u>
<i>Net changes in fund balances</i>	-	-	106,745	106,745
<i>Fund balances - beginning of year</i>	-	-	2,015,174	2,015,174
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,121,919</u>	<u>\$ 2,121,919</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			4,832	
No adjustments to expenditures			-	
<i>Net changes in fund balances</i>			<u>\$ 111,577</u>	

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

FIDUCIARY FUNDS

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2015

Statement E-1

	Private Purpose Trust Fund	Gadsden Foundation Inc.	Total Private Purpose Trust Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 116,161	\$ 116,161
Due from other funds	17,271	-	17,271
<i>Total assets</i>	17,271	116,161	133,432
LIABILITIES			
Due to other funds	-	17,271	17,271
<i>Total liabilities</i>	-	17,271	17,271
NET POSITION			
Restricted Net Position	17,271	98,890	116,161
<i>Total Net Position</i>	17,271	98,890	116,161
<i>Total liabilities and net position</i>	\$ 17,271	\$ 116,161	\$ 133,432

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

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2015

Statement E-2

	Private Purpose Trust Fund	Gadsden Foundation Inc.	Total Private Purpose Trust Funds
ADDITIONS			
Investment earnings	\$ 12	\$ 351	\$ 363
Contributions & donations from private sources	-	6,884	6,884
<i>Total additions</i>	12	7,235	7,247
DEDUCTIONS			
Miscellaneous operating	-	64	64
Scholarships	-	4,000	4,000
<i>Total deductions</i>	-	4,064	4,064
Change in net position	12	3,171	3,183
Total beginning net position	17,259	95,719	112,978
Total ending net position	\$ 17,271	\$ 98,890	\$ 116,161

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

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SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015

Schedule I

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Chaparral Middle School	\$ 30,075	\$ 73,874	\$ 73,098	\$ 30,851
Chaparral High School	79,183	113,499	116,576	76,106
Gadsden Middle School	37,347	50,725	61,256	26,816
Gadsden High School	139,282	272,900	266,616	145,566
Santa Teresa Middle School	9,733	21,348	23,466	7,615
Santa Teresa High School	107,273	202,908	206,374	103,807
Desert Pride Academy	721	436	-	1,157
Alta Vista Early College High School	-	828	503	325
Construction Surplus	4,763	4,303	4,296	4,770
La Union JTP	533	-	-	533
Fiesta Educativa	16,525	-	-	16,525
PAWS - Gadsden High School	683	-	-	683
Feds. Christmas Food Baskets	95	-	-	95
Literacy Fest	700	-	-	700
Service Learning Project	11,531	-	-	11,531
Teacher of the Year	13,495	-	1,407	12,088
Trucha - Drug Free Program	54	-	-	54
Nurse's Department	600	-	-	600
Spanish Spelling Bee	298	-	-	298
Unemployment Ins. Reserve Fund	199,192	91,996	42,590	248,598
Cancer Awareness	683	21,829	22,408	104
Total All Schools	\$ 652,766	\$ 854,646	\$ 818,590	\$ 688,822

See independent auditors' report

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2015

Schedule II
(Page 1 of 2)

Name of Depository	Description of Pledged Collateral	Fair Market Value / Par Value June 30, 2015	Name and Location of Safekeeper
Wells Fargo			
	FN 31292LAH8 3.50% 12/01/2040	\$ 162,160	Bank of New York Mellon
	FN 3138AVFM2 3.00% 11/01/2026	3,302	Bank of New York Mellon
	FN 3138W2LV5 3.00% 01/01/2043	5,385,065	Bank of New York Mellon
	FN 3138W7GH1 3.00% 03/01/2043	52,168	Bank of New York Mellon
	FN 3138WMSN2 3.00% 07/01/2043	1,851,441	Bank of New York Mellon
	FN 3138X4JY7 4.00% 09/01/2043	361,874	Bank of New York Mellon
	FN 31417BF44 3.50% 03/01/2042	56,869	Bank of New York Mellon
	FN 31417DTE3 3.00% 11/01/2042	2,530,048	Bank of New York Mellon
	FN 31417GEW2 3.50% 04/01/2043	99,378	Bank of New York Mellon
	FN 31419ADL8 4.50% 06/01/2040	561,682	Bank of New York Mellon
	FN 31419B5R2 4.50% 09/01/2040	85,180	Bank of New York Mellon
	Collateral for deposit accounts	<u>11,149,167</u>	
	FN-30 31418A2C1 3.50% 11/01/2043	5,986,194	Wells Fargo Bank
	FN-30 31418BLS3 3.50% 01/01/2045	12,327,565	Wells Fargo Bank
	FNG-3 3132JQDR8 3.50% 11/01/2043	11,948,660	Wells Fargo Bank
	FN-30 3138MMAK8 3.00% 12/01/2042	19,398,127	Wells Fargo Bank
	Collateral for repurchase agreements	<u>49,660,546</u>	
Total Wells Fargo		<u><u>60,809,713</u></u>	

See independent auditors' report

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2015

Schedule II
(Page 2 of 2)

Name of Depository	Description of Pledged Collateral	Fair Market Value / Par Value June 30, 2015	Name and Location of Safekeeper
Bank of the West			
	GNMA2 SINGLE FAMILY 36179NM96	199,931	Bank of the West
	FNMA CONV 3138MAKS6	781,127	Bank of the West
	GNMA2 ARM MULTIPLE 36179M6H8	97,300	Bank of the West
	GNMA1 SINGLE FAMILY 36179MW66	410,252	Bank of the West
	GNMA2 ARM MULTIPLE 36179MYQ7	981,559	Bank of the West
	FNMA SF ARM; LIBOR 3138W7JL9	1,857,114	Bank of the West
	FNMA SF ARM; LIBOR 3138X3ED0	4,049,726	Bank of the West
	Collateral for deposit accounts	<u>8,377,009</u>	
Total Bank of the West		<u>8,377,009</u>	
First American Bank			
	BERNALILLO SD#1 - REF 085279QY6	403,840	
	Collateral for deposit accounts	<u>403,840</u>	
	GNMA 15YR 36241LWS1	1,085,141	Fed Home Loan Bank
	FHLMC 15YR 31306YKG5	669,891	Fed Home Loan Bank
	GNMA 30YR 36292GLU7	207,221	Fed Home Loan Bank
	GNMA 30YR 36241KKS6	121,753	Fed Home Loan Bank
	GNMA II 5x1 36179MLM0	896,695	Fed Home Loan Bank
	Collateral for repurchase	<u>2,980,701</u>	
Total First American Bank		<u>3,384,541</u>	
Total District		<u>\$ 72,571,263</u>	

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STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF CASH DEPOSITS AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2015

Schedule III

Bank Account Type/Name	Wells Fargo	Bank of the West	First American Bank	Totals
Cash Deposits:				
Checking - Operational	\$ 9,750,000	\$ -	\$ -	\$ 9,750,000
Checking - Activity	877,829	-	10,000	887,829
Checking - Athletics	303,224	-	-	303,224
Checking - Building	-	-	200,000	200,000
Checking - Food Services	594	-	-	594
Checking - Payroll Clearing	-	-	-	-
Checking - Accounts Payable Clearing	-	-	-	-
Checking - Debt Service	-	12,458,019	-	12,458,019
Savings - Building	5,006,273	-	-	5,006,273
Certificate of Deposit - Operational	1,009,912	-	-	1,009,912
Certificate of Deposit - Athletics	226,191	-	-	226,191
Certificate of Deposit - Activity	279,553	-	-	279,553
Total Cash Deposits	17,453,576	12,458,019	210,000	30,121,595
Temporary Investments:				
Sweep Account Balance	48,686,809	-	2,305,084	50,991,893
US Obligation Money Market - Debt Service	-	-	-	-
US Treasury Bills/Notes	-	-	-	-
Total Temporary Investments	48,686,809	-	2,305,084	50,991,893
Total Cash Deposits and Temporary Investments	66,140,385	12,458,019	2,515,084	81,113,488
Reconciling Items				
District	(1,179,578)	-	-	(1,179,578)
Cash on Hand	495	-	-	495
Reconciled Balance June 30, 2015	\$ 64,961,302	\$ 12,458,019	\$ 2,515,084	79,934,405
Less Agency Funds				688,822
Cash and cash equivalents per Exhibit B-1				\$ 79,245,583
Reconciliation to Statement of Net Position - Cash and cash equivalents:				
Current assets - Cash and cash equivalents				\$ 41,320,660
Noncurrent assets - Restricted cash and cash equivalents				37,924,923
Cash and cash equivalents per Exhibit A-1				\$ 79,245,583

See independent auditors' report

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CASH RECONCILIATION
JUNE 30, 2015

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000
Cash, June 30, 2014	\$ 22,835,462	\$ 2,798	\$ 238,430	\$ 10,521,199	\$ 417,268
Add:					
2014-15 revenues	100,973,975	5,216,133	961,353	9,081,189	132,211
Total cash available	123,809,437	5,218,931	1,199,783	19,602,388	549,479
Less:					
2014-15 expenditures	(98,042,896)	(5,208,382)	(590,127)	(8,004,527)	(19,965)
Permanent cash transfers	(287,052)	(1,399)	-	-	-
PY outstanding loans	-	-	-	-	-
Net Cash	25,479,489	9,150	609,656	11,597,861	529,514
Adjustments:					
Due To / Due From Other Funds	(4,937,733)	-	-	-	-
Current Year Outstanding Loans	-	-	-	-	-
Current Year Payroll Accruals	4,646,476	2,684	-	169,933	-
Other Adjs Receivable/Payables	114	-	-	-	-
Cash, June 30, 2015	<u>\$ 25,188,346</u>	<u>\$ 11,834</u>	<u>\$ 609,656</u>	<u>\$ 11,767,794</u>	<u>\$ 529,514</u>

See independent auditors' report

Non-Instruction Account 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000	State Direct 28000
\$ 544,712	\$ (3,080,896)	\$ 781,714	\$ 891,413	\$ (1,404,094)	\$ (41,549)
<u>577,501</u>	<u>12,885,184</u>	<u>858,543</u>	<u>1,033,936</u>	<u>4,081,557</u>	<u>165,542</u>
1,122,213	9,804,288	1,640,257	1,925,349	2,677,463	123,993
(630,919)	(14,403,721)	(759,402)	(495,809)	(3,592,465)	(207,646)
-	(1,943)	-	-	-	-
-	-	-	-	-	-
<u>491,294</u>	<u>(4,601,376)</u>	<u>880,855</u>	<u>1,429,540</u>	<u>(915,002)</u>	<u>(83,653)</u>
-	4,101,527	-	8,546	752,806	74,854
-	-	-	-	-	-
-	495,222	34,134	17,348	162,196	8,799
-	5,254	-	6,192	-	-
<u>\$ 491,294</u>	<u>\$ 627</u>	<u>\$ 914,989</u>	<u>\$ 1,461,626</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
CASH RECONCILIATION
JUNE 30, 2015

	Local / State 29000	Bond Building Account 31100	Public School Capital Outlay 31200	Spec. Capital Outlay-Local 31300	Spec. Capital Outlay-State 31400
Cash, June 30, 2014	\$ 294,086	\$ 24,507,878	\$ -	\$ -	\$ (15,963)
Add:					
2014-15 revenues	109,136	9,530,037	-	-	38,139
Total cash available	403,222	34,037,915	-	-	22,176
Less:					
2014-15 expenditures	(58,242)	(13,013,225)	-	-	(22,176)
Permanent cash transfers	-	-	-	-	-
PY outstanding loans	-	-	-	-	-
Net Cash	344,980	21,024,690	-	-	-
Adjustments:					
Due To / Due From Other Funds	-	-	-	-	-
Current Year Outstanding Loans	-	-	-	-	-
Prior Year Payroll Accruals	-	-	-	-	-
Other Adjs Receivable/Payables	-	-	-	-	-
Cash, June 30, 2015	<u>\$ 344,980</u>	<u>\$ 21,024,690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report

Cap. Improv. SB 9 31700	Ed Tech Equipment 31900	Debt Service Fund 41000	Ed Tech Debt Service 43000	Student Activities 70000	Total
\$ 3,191,851	\$ 2,602,422	\$ 10,254,497	\$ 2,015,174	\$ 652,766	\$ 75,209,168
5,007,101	2,597	10,597,551	1,894,317	-	163,146,002
8,198,952	2,605,019	20,852,048	3,909,491	652,766	238,355,170
(4,323,869)	(2,358,638)	(10,515,948)	(1,787,572)	36,032	(163,999,497)
-	-	-	-	-	(290,394)
-	-	-	-	-	-
3,875,083	246,381	10,336,100	2,121,919	688,798	74,065,279
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	24	5,536,816
320,750	-	-	-	-	332,310
<u>\$ 4,195,833</u>	<u>\$ 246,381</u>	<u>\$ 10,336,100</u>	<u>\$ 2,121,919</u>	<u>\$ 688,822</u>	<u>\$ 79,934,405</u>

See independent auditors' report

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)
JUNE 30, 2015

<i>RFB#/RFP# /State-Wide Price Agreement #</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address of ALL Vendor(s) that responded</i>	<i>In-State/ Out- of- State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in- state and chose Veteran's preference (Y or N)</i>	<i>Brief Description of the Scope of Work</i>
CES #1012-001-912-308	CES	ESA CONSTRUCTION	\$ 1,066,827	\$ 1,029,195	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	CENTRAL FOOD SERVICES WAREHOUSE 2013
CES #2012-003-055-06TCH	CES	TYLLERY CHEVROLET GMC	\$ 122,595	\$ 122,595	TYLLERY CHEVROLET GMC, P.O. BOX 609, MORIARTY NM 87035	Y	N	SUBURBAN FOR PHYSICAL PLANT DEPT.
CES #2012-003-055-06DCH	CES	DON CHALMERS FORD	\$ 132,494	\$ 132,494	DON CHALMERS FORD, 2500 RIO RANCHO, NM 87124	Y	N	PICK UP FOR PHYSICAL PLANT DEPT.
CES #2012-0290425-106	CES	SCHOOL SPECIALTY	\$ 139,342	\$ 139,342	SCHOOL SPECIALTY, W6316 DESIGN DR., GREENVILLE, WI 54942	N	N	NEW DESERT PRIDE ACADEMY FF&E
CES #2013-027-914-238	CES	ESA CONSTRUCTION	\$ 1,742,188	\$ 1,742,249	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	PLUMBING AND HVAC IMPROVEMENTS AT SUNLAND PARK
CES#2012-001A 912-308	CES	ESA CONSTRUCTION	\$ 204,212	\$ 204,212	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	REMOVE EXISTING PRESS BOX INSTALL NEWONE
CES#2013-027-914-238	CES	ESA CONSTRUCTION	\$ 2,328,648	\$ 2,291,070	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	PLUMBING AND HVAC IMPROVEMENTS AT RIVERSIDE
CES#2013-027-914-238	CES	ESA CONSTRUCTION	\$ 902,112	\$ 897,596	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	PLUMBING AND HVAC IMPROVEMENTS AT MESQUITE
CES#2012-029-425-106-SAE	CES	SCHOOL SPECIALTY	\$ 82,365	\$ 82,365	SCHOOL SPECIALTY, W6316 DESIGN DR., GREENVILLE, WI 54942	N	N	REPUBLIC LOCKERS, FRAMES, TIER DOUBLE TIER HVV DUTY
CES#2011-001A910720VIB	CES	VIBRA WHIRL SPORT SURFACE	\$ 89,100	\$ 89,100	P.O. BOX 966, PANHANDLE, TX 79068	N	N	REPAIRS TO CHS RUNNING TRACT
CES#2013-021-929-010	CES	ROCKY MOUNTAIN DESIGN GROUP	\$ 66,995	\$ 66,995	5501 MIDWAY PARK, ALBUQUERQUE, FORKLIFT AND EQUIPMENT	Y	N	MASTER CRAFT DIESEL POWERED 4WD FORKLIFT
CES#2013-026-912-308 ESA	CES	ESA CONSTRUCTION	\$ 206,127	\$ 195,130	ESA CONSTRUCTION, 3435 GIRARD NE, ALBUQUERQUE, NM 87107	Y	N	ALTA VISTA EARLY COLLEGE HS BATHROOMS
CES#2013-026-912-308GSC	CES	SANDOVAL CONSTRUCTION	\$ 74,702	\$ 71,818	2000 E. LOHMAN AVE., SUITE B LAS CRUCES, NM 88001	Y	N	SANTA TERESA MIDDLE SCHOOL STAIR REPLACEMENT
CE#2012-001C-914-418CDM	CES	CD MECHANICAL	\$ 96,808	\$ 93,993	6881 MOONGATE RD., LAS CRUCES, NM 88012	Y	N	GADSDEN MS STORM DRAIN RECONNECT PROJECT
CES#2014-008-204-332 TTECH	CES	TEAM 1ST TECHNOLOGIES	\$ 361,800	\$ 361,800	2033 SANTA ANA RD., NE RANCHO, NM 87144	Y	N	EXAM VIEW EXAM LEARNING SERIES
CES#2013-2014 208-053IL-	CES	IMAGINE LEARNING	\$ 604,004	\$ 595,632	191 RIVER PARK DRIVE, PROVO, UT 84604	N	N	COMPUTER BASED INTERVENTION PROG. ENGLISH & SPANISH
CES#2014-008-204-332 TTECH	CES	TEAM 1ST TECHNOLOGIES	\$ 255,259	\$ 255,259	2033 SANTA ANA RD., NE RANCHO, NM 87144	Y	N	EXAM VIEW EXAM LEARNING SERIES
CES#2014-008-204-332 TTECH	CES	TEAM 1ST TECHNOLOGIES	\$ 108,331	\$ 108,331	2033 SANTA ANA RD., NE RANCHO, NM 87144	Y	N	89" DUALBOARD WIRELESS, WRITING AREA, RECHARGEABLE
CES#2014-008-204-332 TTECH	CES	TEAM 1ST TECHNOLOGIES	\$ 62,275	\$ 62,275	2033 SANTA ANA RD., NE RANCHO, NM 87144	Y	N	89" DUALBOARD WIRELESS, WRITING AREA, RECHARGEABLE
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 225,000	\$ 197,449	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	AFTER SCHOOL BUS FOR SECONDARY SCHOOLS
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 175,000	\$ 173,770	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	ON TRACK-PRE-K STUDENT TRANSPORTATION 4 CENTERS
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 236,218	\$ 236,216	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	STUDENT TRAVEL FOR MIDDLE AND HIGH SCHOOLS/ATHLETICS
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 4,569,120	\$ 4,569,120	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	TRANSPORTATION CONTRACT/SUPPORT SERVICES DEPT.
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 422,588	\$ 422,588	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	RENT AND LEASES CONTRACT/SUPPORT SERVICES
STATUTE 13-1-98-H	EXEMPT PROCUREMENT CODE	BOONE TRANSPORTATION	\$ 121,708	\$ 121,707	2102 W. WASHINGTON, ANTHONY, NM 88021	N	N	TRANSPORTATION FOR NM K3+/BILINGUAL DEPT.
RFP#12-13-40	RFP	GENCON CORP.	\$ 1,487,012	\$ 1,462,752	401 N. 17TH ST. SUITE 14, LAS CRUCES, NM 88005	N	N	DESERT PRIDE ACADEMY 2012 PROJECT PHASE 1
RFP#13-14-19	RFP	GENCON CORP.	\$ 958,976	\$ 908,042	401 N. 17TH ST. SUITE 14, LAS CRUCES, NM 88005	Y	Y	GADSDEN HIGH SCHOOL PHASE III PART II
RFP#13-14-21	RFP	GENCON CORP.	\$ 2,027,971	\$ 1,608,282	401 N. 17TH ST. SUITE 14, LAS CRUCES, NM 88005	Y	Y	NEW DESERT VIEW ELEMENTARY
RFP#14-15-12	RFP	BRADBURY STAMM CONSTRUCTION CO.	\$ 2,332,420	\$ -	P.O. BOX 10850, ALBUQUERQUE, NM 87184	Y	N	NEW ELEMENTARY IN CHAPARRAL, NM (YUCCA HEIGHTS)
BID#13-14-30, #13-14-31, #13-14-32	RFB	LABATT NEW MEXICO	\$ 1,019,656	\$ -	4500 INDUSTRY PARK, SAN ANTONIO, TX 78218	N	N	SNP - DRY GOODS, REF.&FROZEN, NON-FOODS
BID#13-14-28	RFB	LABATT NEW MEXICO	\$ 231,168	\$ -	4500 INDUSTRY PARK, SAN ANTONIO, TX 78218	N	N	SNP - MEXICAN FOODS
BID#14-15-07, #14-15-08, #14-15-09	RFB	LABATT NEW MEXICO	\$ 736,627	\$ -	4500 INDUSTRY PARK, SAN ANTONIO, TX 78218	N	N	SNP-NON-FOODS, DRY GOODS, REF. & FROZEN FOODS
NM SWREC CONTRACT #2010-05-24	CONTRACT	DECISION TREE, INC.	\$ 66,780	\$ 64,530	306 THUNDERBIRD DR. EL PASO, TX 79912	N	N	DESK COMPUTERS FOR ELEMENTARY SCHOOLS
NM SWREC CONTRACT #2010-05-24	CONTRACT	DECISION TREE, INC.	\$ 76,153	\$ 76,153	306 THUNDERBIRD DR. EL PASO, TX 79912	N	N	LAPTOPS AND CABINETS FOR STMS, CMS & GMS
RFP #12-13-23	RFP	AKS ARCHITECTURE, P.C.	\$ 528,759	\$ -	1691 HICKORY LOOP, SUITE A, LAS CRUCES, NM 88005	Y	N	DESIGN SVCS FOR NEW DESERT PRIDE ACADEMY
BID #12-13-37	RFB	PRICE'S CREAMERIES	\$ 918,153	\$ -	P.O. BOX 3008, EL PASO TEXAS 79923	Y	N	SNP-MILK & MILK PRODUCTS

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)
JUNE 30, 2015

<i>RFB#/RFP# / State-Wide Price Agreement #</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address of ALL Vendor(s) that responded</i>	<i>In-State/ Out- of- State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in- state and chose Veteran's preference (Y or N)</i>	<i>Brief Description of the Scope of Work</i>
BID #13-14-05, #13-14-07	RFB	SHAMROCK FOODS	\$ 830,322	\$ -	2 SHAMROCK WAY N.W. ALBUQUERQUE, NM 87121	N	N	SNP-DRY GOODS, NON-FOOD ITEMS
RFP #13-14-03	RFP	G. SANDOVAL CONSTRUCTION	\$ 810,459	\$ 783,572	2000 E. LOHMAN SUITE C, LAS CRUCES, NM 88005	Y	N	RIVERSIDE ELEMENTARY KITCHEN UPGRADE
RFP #12-13-05	RFP	RIO GRANDE SPEECH THERAPY	\$ 781,524	\$ 780,001	109 S. FESTIVAL DR., EL PASO TEXAS 79912	N	N	SPEECH LANGUAGE THERAPY SERVICES
MOA 15-GISD-1	CONTRACT	NEW MEXICO STATE UNIVERSITY (21ST CENTURY)	\$ 538,867	\$ 456,600	P.O. BOX 30002 MSC SPA, LAS CRUCES, NM 88003-8802	Y	N	GRANT - AFTER SCHOOL PROGRAMS, STEM OUTREACH
2010 GISD 10-	CONTRACT	NEW MEXICO STATE UNIVERSITY (SEMMA)	\$ 80,415	\$ 79,865	P.O. BOX 30002 MSC SPA, LAS CRUCES, NM 88003-8802	Y	N	GRANT -SC2 SCIENTIFICALLY CONNECTED, PROJECT GUTS CAMPS
PARCC ASSESSMENT	CONTRACT	NM PED (IGA)	\$ 262,795	\$ 223,376	300 DON GASPAR, SANTA FE NM 87501	Y	N	ASSESSMENT OF READINESS FOR COLLEGE & CAREERS
13-1-98-E	EXEMPT PROCUREMENT CODE	ARCHWAY (RESOLVE CORP)	\$ 71,593	\$ -	1600 FIRST ST. N.W., ALBUQUERQUE, NM 87102	N	N	2ND & 3RD GRADE SPANISH SCIENCE ORDERS
13-1-98-E	EXEMPT PROCUREMENT CODE	ARCHWAY (RESOLVE CORP)	\$ 118,943	\$ -	1600 FIRST ST. N.W., ALBUQUERQUE, NM 87102	N	N	2ND & 3RD GRADE ENGLISH SCIENCE ORDERS
13-1-98-E	EXEMPT PROCUREMENT CODE	ARCHWAY (RESOLVE CORP)	\$ 77,320	\$ -	1600 FIRST ST. N.W., ALBUQUERQUE, NM 87102	N	N	CTE ADOPTED TEXTBOOK ORDERS FOR GADSDEN HS
RFP #08-09-23	RFP	ALLEY ASSOCIATES, P.A.	\$ 82,526	\$ -	1691 HICKORY LOOP, SUITE A , LAS CRUCES, NM 88005	Y	N	DESIGN SERVICES FOR GADSDEN HS PHASE 3 PART II
RFP #08-09-23	RFP	ALLEY ASSOCIATES, P.A.	\$ 155,217	\$ -	1691 HICKORY LOOP, SUITE A , LAS CRUCES, NM 88005	Y	N	DESIGN SERVICES FOR NEW DESERT PRIDE ACADEMY
RFP #13-14-17	RFP	RODGERS & COMPANY, INC.	\$ 294,059	\$ -	2615 ISLETA BLVD SW, ALBUQUERQUE, NM 87105	Y	N	CHAPARRAL HS IRRIGATION WELL
CES#2013-014 208-053 ILI	CES	IMAGINE LEARNING, INC.	\$ 85,773	\$ -	191 RIVER PARK, PROVO UT 84604	N	N	CLASSROOM COURSEWARE FOR SCHOOLS DISTRICT WIDE
CES#2013-014 208-053 ILI	CES	IMAGINE LEARNING, INC.	\$ 62,459	\$ -	191 RIVER PARK, PROVO UT 84604	N	N	CLASSROOM COURSEWARE FOR SCHOOLS DISTRICT WIDE
CES#2013-014 208-053 ILI	CES	IMAGINE LEARNING, INC.	\$ 90,781	\$ -	191 RIVER PARK, PROVO UT 84604	N	N	CLASSROOM COURSEWARE FOR SCHOOLS DISTRICT WIDE
RFB #12-13-36	RFB	FLOWERS BAKING COMPANY, LLC	\$ 84,280	\$ -	301 N. DALLAS, EL PASO TEXAS 79901	N	N	SNP - BREAD AND BREAD PRODUCTS
RFB #13-14-27	RFB	FLOWERS BAKING COMPANY, LLC	\$ 275,000	\$ -	301 N. DALLAS, EL PASO TEXAS 79901	N	N	SNP - BREAD AND BREAD PRODUCTS
RFP #13-14-02	RFP	C.D. GENERAL CONTRACTORS	\$ 6,337	\$ -	P.O. BOX 8637, LAS CRUCES, NM 88006	Y	N	SANTA TERESA HS VOCATIONAL BLDG RE-ROOF
RFP #14-15-20	RFP	C.D. GENERAL CONTRACTORS	\$ 266,553	\$ -	P.O. BOX 8637, LAS CRUCES, NM 88006	Y	N	2015 PARTIAL RE-ROOF PROJECT
13-1-98-E	EXEMPT PROCUREMENT CODE	TEACHER CREATED MATERIALS	\$ 104,596	\$ -	5301 OCEANUS DRIVE, HUNTINGTON BEACH, CA 92649	N	N	EBOOK YEARLY CLASSROOM SUBSCRIPTION
RFP #13-14-12	RFP	RENEGADE CONSTRUCTION	\$ 226,247	\$ -	200 CRAWFPOD BLVD., LAS CRUCES, NM 88007	Y	N	RIVERSIDE ELEM. PARKING LOT IMPROVEMENTS
RFP #13-14-10	RFP	DEKKER, PERISH, SABATINI, LTD	\$ 145,047	\$ -	7601 JEFFERSON NE, SUITE 100, ALBUQUERQUE, NM 87109	Y	N	DESIGN SVCS FOR NEW ELEMENTARY IN CHAPARRAL, NM
RFB #13-14-33	RFB	SOUTHWESTERN MILL DISTRIBUTOR	\$ 136,668	\$ -	310 N. DALLAS, EL PASO, TEXAS 79901	Y	N	CUSTODIAL SUPPLIES FOR PHYSICAL PLANT DEPT.
RFB #14-15-07	RFB	SPECTRUM PAPER CO, INC.	\$ 134,391	\$ -	27 CONCORD ST., EL PASO, TEXAS 79906	N	N	SNP NON-FOODS DISTRICT WIDE
RFP #12-13-22	RFP	EL PASO DISPOSAL, LP	\$ 180,000	\$ -	P.O. BOX 20179, 5539 EL PASO DR., EL PASO TX 79905	N	N	PPD - SOLID WASTE DISPOSAL DISTRICT WIDE
RFP #14-15-28	RFP	BURN CONSTRUCTION CO	\$ 170,314	\$ -	P.O. DRAWER 1869, LAS CRUCES, NM 88004	Y	Y	NEW UV DISINFECTION SYSTEM FOR GHS/GMS WASTE WATER TREATMENT
STATUTE 13-1-98 E	EXEMPT PROCUREMENT CODE	MACKING LIBRARY MEDIA	\$ 75,168	\$ -	3505 COUNTY RD., 42 WEST BURNSVILLE, MN 55306	N	N	BOOKS FOR LIBRARY AT NEW ALTA VISTA ECHS
STATUTE 13-1-98 E	EXEMPT PROCUREMENT CODE	MACKING LIBRARY MEDIA	\$ 78,187	\$ -	3505 COUNTY RD., 42 WEST BURNSVILLE, MN 55306	N	N	BOOKS FOR LIBRARY AT NEW DESERT PRIDE ACADEMY
STATUTE 13-1-98 D	EXEMPT PROCUREMENT CODE	RIO VALLEY BIOFUELS, LLC	\$ 165,000	\$ -	1940 ANTHONY DR., ANTHONY NM 88021	Y	N	UNLEADED AND DIESEL FUEL DISTRICT WIDE
RFP #12-13-07	RFP	GLOBALINX	\$ 161,604	\$ -	5383 HOLLISTER AVE., SUITE 100, SANTA BARBARA, CA 93101	N	N	TECH DEPT-E-RATE SVCS & PROD.-WAN LEASED LINE NETWORK
RFP #14-15-10	RFP	INTER AMERICAN INTERPRET SVCS	\$ 95,535	\$ -	10164 RAIN CLOUD, EL PASO TX 79927	N	N	SPED-SIGN LANG. INTERPRET SVCS
STATE OF NM PED SPA #30-924-13-16156AB	CONTRACT	NORTHWEST EVALUATION ASSOC.	\$ 115,500	\$ -	121 NW EVERETT ST. PORTLAND, OR 97209	N	N	WEB BASED MEASURES OF ACADEMIC PROGRESS (MAP), MATH, READING, AND LANGUAGE
RFB #14-15-07	RFB	WALLACE PACKAGING, LLC	\$ 78,000	\$ -	820 E. 47TH ST. B6, TUCSON, AZ 85713	N	N	SNP - NON FOOD ITEMS

STATE OF NEW MEXICO
 GADSDEN INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)
 JUNE 30, 2015

<i>RFB#/RFP# /State-Wide Price Agreement #</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address of ALL Vendor(s) that responded</i>	<i>In-State/ Out- of- State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in- state and chose Veteran's preference (Y or N)</i>	<i>Brief Description of the Scope of Work</i>
RFB #13-14-30	RFB	SYSKO FOOD SVCS OF NM, LLC	\$ 282,981	\$ -	601 COMANCHE NE, ALBUQUERQUE, NM 87107	N	N	SNP - DRY GOODS
STATE OF NM PED CONTRACT #13-924-P527-00265	CONTRACT	MEASURED PROGRESS	\$ 80,517	\$ -	P.O. BOX 1217, DOVER, NH 03820	N	N	SPAN/LA SCIENCE SPRING 2015 SBA TESTING MATERIALS AND SCORING
CES #2013-013-208-036ED2020	CES	EDGENUITY	\$ 98,750	\$ -	8860 E. CHAPARRAL RD., SUITE 100 SCOTTDALE, AZ 85250	N	N	ADVANCED PLACEMENT COURSE, DISTANCE LEARNING, DUAL CREDIT/CREDIT RECOVERY
RFP #14-15-02	RFP	SPIVEY, NANCY	\$ 99,881	\$ -	P.O. BOX 581, SANTA TERESA, NM 88008	N	N	SPEECH THERAPY SERVICES DISTRICT WIDE
CES #2013-014 208-026CCC	CES	NCS PEARSON CORPORATION	\$ 74,180	\$ -	5601 GREEN VALLEY DR., SUITE 220, BLOOMINGTON, MN 55437	N	N	STUDENT SYSTEM SOFTWARE, AS400, SASI, POWER SCHOOL DISTRICT WIDE
RFP #12-13-07	RFP	CONTERRA ULTRA BROADBAND,LLC	\$ 81,911	\$ -	2101 REXFORD RD., SUITE 200E, CHARLOTTE,NC 28211	N	N	FIBER WIDE AREA NETWORK SERVICE FRN 2614437
RFP #14-15-19	RFP	SMITH ROOFING, INC.	\$ 73,038	\$ -	P.O. BOX 2639, MESILLA PARK, NM 88047	Y	N	PARTIAL RE-ROOF LA UNION ELEMENTARY
RFP #14-15-18	RFP	WESTERN BLDG & DEVELOPMENT, LLC	\$ 65,933	\$ -	P.O. BOX 190 LAS CRUCES, NM 88004	Y	Y	DESERT PRIDE ACADEMY 2015 PHASE II

COMPLIANCE SECTION

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Accounting & Consulting Group, LLP
Certified Public Accountants

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

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Gadsden Independent Schools
Sunland Park, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the General Fund and major special revenue funds of the Gadsden Independent Schools (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated October 5, 2015.

Internal Control Over Financial Reporting

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

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies, which are listed as findings FS 2014-003 and FS 2014-004.

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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 FS 2015-001 and FS 2015-002.

District's Responses to Findings

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

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 District'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.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 5, 2015

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FEDERAL FINANCIAL ASSISTANCE

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Accounting & Consulting Group, LLP
Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Gadsden Independent Schools
Sunland Park, New Mexico

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

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Other Matters

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

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
October 5, 2015

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015

Schedule VI

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	8,387,840
Migrant Children Education	24103	84.011	78,740
Entitlement IDEA-B	24106	84.027	3,235,484
New Mexico Autism Project	24108	84.027A	6,826
Preschool IDEA B	24109	84.173	75,131
IDEA-B-Early Intervention Services	24112	84.027	39,509
Education of Homeless	24113	84.196	20,036
IDEA B Private Schools Share	24115	84.027A	7,080
21st Century Community Learning Centers	24119	84.287	631,364
IDEA-B "Risk Pool"	24120	84.027	2,995
English Language Acquisition (Title III)	24153	84.365	347,118
Teacher/Principal Training & Recruiting (Title II)	24154	84.367A	851,657
Immigrant Funding - Title III	24163	84.365A	77,967
Carl D Perkins Secondary - Current	24174	84.048	176,652
Carl D Perkins Secondary PY Obligations	24175	84.048	868
Carl D Perkins Secondary Redistribution	24176	84.048	18,188
Carl D Perkins HSTW - Current	24180	84.048	87,992
Carl D Perkins HSTW - Unliquidated	24181	84.048	2,515
Carl D Perkins HSTW - Redistribution	24182	84.048	25,232
<i>Total - U.S. Department of Education</i>			14,073,194

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015

Schedule VI

U.S. Department of Agriculture

Passthrough State of New Mexico Department of Education

National School Lunch Program (1)	21000	10.553/10.555	7,869,923
USDA Commodities (1)	21000	10.553/10.555	658,021
Fruit and Vegetable Program	24118	10.582	324,039

<i>Total - U.S. Department of Agriculture</i>			8,851,983
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Total Federal Financial Assistance			\$ 22,925,177
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Total Federal Financial Assistance - Gadsden Independent Schools			\$ 22,925,177
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(1) Denotes Major Federal Financial Assistance Program

1. Basis of Presentation

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

2. Subrecipients

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

3. Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch program. The value of commodities received for the year ended June 30, 2015 was \$658,021 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities Program. Commodities are recorded as revenues and expenditures in the food service fund.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards			\$ 22,925,177
Total expenditures funded by other sources			148,361,176
Total expenditures			171,286,353

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | None noted |

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 2. Type of auditors' report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | None noted |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.553 & 10.555 84.010	National School Lunch Program Title I

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$687,755 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI
Page 2 of 5

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS 2014-003 Capital Assets (Significant Deficiency)

Condition: Accumulated depreciation which is maintained by the District's software did not roll forward from the prior year properly. Adjustments were made during the year to accounts for the difference in the beginning balances, however these adjustments were immaterial but necessary for proper roll forward of capital assets. The District is working with the accounting software provider to ensure this issue is resolved in subsequent years.

Criteria: According to NMAC 2.20.1.8 (A) Fixed Asset Accounting System- Agencies should implement systematic and well documented methods for accounting for fixed assets. A computerized system with appropriate controls on access and authorizations of transactions should be implemented.

Effect: The District's accumulated depreciation balances required an adjustment that neither the District nor the software company know how to fix. The effect is each year accumulated depreciation will not roll forward and adjustments will be necessary.

Cause: When a year is closed out in the accounting software system it is unknown to management or representatives from the software company why ending balances do not roll to subsequent year beginning balances.

Auditors' Recommendations: We recommend that the District review its internal controls over capital assets (specifically accumulated depreciation) to include verification of accumulated depreciation on a timely basis and we also recommend that the system edits be limited to only individuals that are involved in the accounting process and changes be made for appropriate circumstances only (change in estimate).

Agency's Response: The District implemented additional procedures related to the processing of depreciation in the District's Fixed Asset Accounting System in the 2014-15 fiscal year, which related to the software system used to manage the fixed asset records. The District will continue to work with the software company to identify and correct the adjustments that occur during the roll forward of accumulated depreciation. In addition, the responsible staff will be provided with additional training on the use of the software to identify any changes needed in the software processing steps. This will be implemented through the District's Finance – Fixed Asset staff.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI
Page 3 of 5

FS 2014-004 Activity Funds (Significant Deficiency)

Condition: The District's has various decentralized locations in which are not following the 24 hour deposit rule as set forth by NMAC 6.20.2.14 (C). During the fiscal year it was noted that there were 13 instances at eighteen locations internally inspected in which deposits were made after the 24 hour rule. In addition, it was also noted that there were 15 instances at the eighteen locations internally inspected that purchase orders were dated after the invoice date. Further, there was one instance in which it was discovered that funds from a Cheerleading program that were raised in the amount of approximately \$8,000 did not follow the appropriate District procedures related to fundraising and purchasing. The District is continually monitoring and internally inspecting transactions and processes for the activity funds.

Criteria: According to NMAC 6.20.2.14 (C) Cash Control Standards- money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour requirement the local board may request approval from the department for an alternative plan. In addition according to NMAC 6.20.2.17 (A) Purchasing- each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations

Effect: Monies that are collected at decentralized locations which are not deposited timely or do not follow District policies and procedures are subject to possible errors, fraud or abuse. Purchases made without proper authorization prior to the purchase may be disapproved and the individual held personally liable.

Cause: The District's decentralized locations are unaware of the importance to follow set policies and procedures set by the State of New Mexico.

Auditors' Recommendations: We recommend the District conduct internal trainings on the importance and ramifications of not following state statutes and laws.

Agency's Response: The District developed an internal review process for depositing and purchasing activity during the 2014-15 fiscal year, which reviews transactions each month with a results report issued to the school sites reviewed. A report is also provided to the District's Board of Education and Superintendent each month regarding the results of the internal reviews. For the 2015-16 fiscal year, the review process will include follow up with the school sites to provide additional staff training on the requirements related to depositing activity as well as the processing of purchase orders.

The finding related to the Cheerleading program was the result of District staff being made aware of fundraising activities for which no deposit activity was noted on the District's accounts. The District provides management training at the beginning of each fiscal year regarding depositing and purchasing procedures. The District will also implement additional management meetings to address the depositing and purchasing process. Implementation will be through the District Finance Department – Operations staff.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

FS 2015-001 Procurement Cards (Findings that do not rise to the level of significant deficiency)

Condition: In 1 instance out of 5 procurement cards tested we noted an inappropriate purchase of hand cream in the amount of \$1.99 that was not an item on approved purchase order.

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

Effect: The District is using public funds for disallowed items that have not been approved. Items were purchased on District credit cards for personal use may be unauthorized and go undetected.

Cause: The District's overlooked the purchase on the invoice.

Auditors' Recommendations: We recommend the District conduct internal trainings on the importance and ramifications of not following state statutes and laws. Also, reviews of invoices of underlying documentation supporting credit card purchases should be followed up and ensure District policies are adhered to.

Agency's Response: The District has procedures that address the procurement process and the use of procurement cards. The staff involved in this transaction will be notified and additional training provided. The District has also implemented a review process that will be used to address the purchasing procedures and training of staff. This will be implemented through the District Purchasing Department.

FS 2015-002 Exceeded Budget Authority - (Findings that do not rise to the level of significant deficiency)

Condition: The District has over expended its budget in the following function:

Nonmajor Funds

Educational Technology Debt Service Fund	
Support Services-General Administration	\$1,258

Criteria: NMAC 6.20.2.10 state that all District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

Effect: The internal controls established by adherence to budgets has been compromised, and excess spending could result

Cause: The District did not propose a budget adjustment to address the over expenditure and the information to make the adjustments was not timely available to management.

Auditors' Recommendations: We recommend that the District monitor its budgets closely and prepare budget adjustments as necessary in funds that estimates are required.

Agency's Response: The District received the June 2015 property tax distributions from Dona Ana and Otero County during the last week of the month. The District was unable to obtain board approval of a budget adjustment request as required by the NM PED for School Budgets. The property tax revenues received were greater than anticipated causing the 1% collection fee charged by the counties to exceed the budgeted amount. The fund was not overspent however due to the requirement of budgetary control at the function level this fund reflected an overspent function at June 30, 2015. The District will implement an additional procedure to estimate property tax revenue receipts prior to the deadlines for submitting budget adjustment requests to NM PED as well as obtain Board of Education approval to submit a budget adjustment request for this type of transaction. This will be implemented by the District Finance Department.

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

C. FEDERAL AWARD FINDINGS

FA 2015-001 — Annual Report Card, High School Graduation Rate for Title I– (Noncompliance)

Federal Program Information:

Funding Agency: Department of Education
Passthrough- State of NM Public Education Department
Title: Title I Grants to Local Educational Agencies
CFDA Number: 84.010
Award Year: 2015

Condition: During our review of the District’s student cohort, it was noted that in 2 of 25 instances there was no approval by school administrator which is required for removal of students from cohort.

Criteria: Per the Adequate Yearly Progress and Other Academic Indicators as described in 34 CFR section 200.13(b)(7)(ii) and 200.19(b)(1), a state educational agency (SEA) and its local educational agencies (LEAs) must report graduation rate data for all public high schools using a 4-year adjusted cohort rate defined as the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for that graduating class. To remove a student from the cohort, a school or LEA must confirm in writing that the student transferred out, emigrated to another country, or is deceased. To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in a non-NMPED school that culminates in the award of a regular high school diploma.

Effect: District’s reported High School Graduation Rate for the 2013-2014 school year cannot be verified due to lack of written documentation for students removed from cohort.

Questioned Costs: None

Cause: Lack of internal controls at school sites to ensure that District staff obtains all necessary written documentation for student personnel files.

Auditors’ Recommendation: We recommend that District Management implement controls over school sites to ensure student personnel files are complete and accurate, including internal audits of school sites and periodic reviews, and a secondary review of the cohort whenever the withdrawal code “W8,” for students who transfer out of the District, is implemented, as well as review of all students with the W codes in the system.

Agency’s Response: The District is aware of this requirement and has procedures in place which require the signature of the school administrator. The District will implement an additional review step in the procedures to verify all approvals are in place as required for this process. In addition the District will review the existing procedures and documents and make any necessary changes. The procedures will be updated through the Student Data Department of the District.

D. PRIOR YEAR AUDIT FINDINGS

FS 2013-004 (FS 13-04) – Pledged Collateral – Significant Deficiency – Resolved

FS 2014-001 Stale Dated Checks- (Other Matter) – Resolved

FS 2014-002 Annual Inventory (Other Matter) – Resolved

FS 2014-003 Capital Assets (Significant Deficiency) – Repeated and Modified

FS 2014-004 Untimely Deposits (Other Matter) – Repeated and Modified

STATE OF NEW MEXICO
GADSDEN INDEPENDENT SCHOOLS
OTHER DISCLOSURES
JUNE 30, 2015

Exit Conference

An exit conference was held on October 5, 2015. The following individuals were in attendance.

Gadsden Independent Schools

Maria Saenz, Board of Education President
Jennifer Viramontes, Board of Education Member – Audit Committee
Efren Yturralde, Superintendent
Steven W. Suggs, CPA, Deputy Superintendent/Chief Financial Officer
Ludym Martinez, Director of Finance
Erica Villarreal, Finance Coordinator

Accounting & Consulting Group, LLP

Bobby Cordova, CPA, Partner