



Los Alamos Public Schools

**Annual Financial Report
For the Year Ended June 30, 2014**



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INTRODUCTORY SECTION

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STATE OF NEW MEXICO

Los Alamos Public Schools

Annual Financial Report

June 30, 2014

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STATE OF NEW MEXICO
Los Alamos Public Schools
Official Roster
June 30, 2014

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
Judy Bjarke-McKenzie		Board President
Kevin Honnell		Board Vice President
Matt Williams		Secretary
David Foster		Board Member
Jim Hall		Board Member
 <u>Administrative Officials</u>		
Gene Schmidt		Superintendent
John Wolfe		Chief Financial Officer
Lisa Montoya		Current Chief Financial Officer
Alex Salazar		Comptroller

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Los Alamos Public Schools
Los Alamos, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of Los Alamos Public Schools (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the General Fund, the component unit fund, and the budgetary comparisons for the major capital projects funds, the 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, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this 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, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Los Alamos Public Schools, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, the combining financial statements for general fund and the component unit fund of the District as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons for the major capital projects funds, 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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2014, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 7, 2014

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Statement of Net Position
 June 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current assets				
Cash and cash equivalents	\$ 11,549,554	\$ 6,754,188	\$ 18,303,742	\$ 27,795
Investments	8,214,792	-	8,214,792	44,119
Receivables:				
Property taxes	225,796	-	225,796	-
Due from other governments	543,882	-	543,882	-
Other	16,975	2,523	19,498	-
Internal balances	(392,381)	392,381	-	-
Inventory	211,419	-	211,419	-
Total current assets	<u>20,370,037</u>	<u>7,149,092</u>	<u>27,519,129</u>	<u>71,914</u>
Noncurrent assets				
Restricted assets:				
Cash and cash equivalents	5,867,520	-	5,867,520	292,248
Capital assets	159,775,240	-	159,775,240	515
Less: accumulated depreciation	<u>(27,030,355)</u>	<u>-</u>	<u>(27,030,355)</u>	<u>(52)</u>
Total noncurrent assets	<u>138,612,405</u>	<u>-</u>	<u>138,612,405</u>	<u>292,711</u>
Total assets	<u>\$ 158,982,442</u>	<u>\$ 7,149,092</u>	<u>\$ 166,131,534</u>	<u>\$ 364,625</u>

The accompanying notes are an integral part of these financial statements

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Liabilities				
Current liabilities				
Accounts payable	\$ 319,649	\$ 7,162	\$ 326,811	-
Due to other governments	30,580	-	30,580	-
Accrued payroll	1,336,899	6,272	1,343,171	3,353
Accrued interest	459,928	-	459,928	-
Accrued compensated absences	531,112	-	531,112	-
Current portion of bonds payable	5,150,000	-	5,150,000	-
Total current liabilities	<u>7,828,168</u>	<u>13,434</u>	<u>7,841,602</u>	<u>3,353</u>
Noncurrent liabilities				
Bonds payable	36,400,000	-	36,400,000	-
Bond premium, net of accumulated amortization of \$218,977	694,949	-	694,949	-
Total noncurrent liabilities	<u>37,094,949</u>	<u>-</u>	<u>37,094,949</u>	<u>-</u>
Total liabilities	<u>44,923,117</u>	<u>13,434</u>	<u>44,936,551</u>	<u>3,353</u>
Net position				
Net investment in capital assets	101,469,365	-	101,469,365	-
Restricted for:				
Debt service	6,010,974	-	6,010,974	-
Capital projects	1,344,730	-	1,344,730	-
Special revenue	849,630	-	849,630	-
Scholarships & endowment	-	-	-	303,606
Unrestricted	4,384,626	7,135,658	11,520,284	57,666
Total net position	<u>114,059,325</u>	<u>7,135,658</u>	<u>121,194,983</u>	<u>361,272</u>
Total liabilities and net position	<u>\$ 158,982,442</u>	<u>\$ 7,149,092</u>	<u>\$ 166,131,534</u>	<u>\$ 364,625</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
Instruction	\$ 22,507,731	\$ 497,861	\$ 5,404,031	\$ 1,802,053
Support services - students	4,052,794	89,646	973,062	324,482
Support services - instruction	1,462,366	32,347	351,109	117,083
Support services - general administration	721,314	15,955	173,185	57,751
Support services - school administration	1,884,844	41,692	452,545	150,908
Central services	1,912,410	42,302	459,163	153,115
Operation and maintenance of plant	8,185,010	181,049	1,965,194	655,323
Student transportation	1,097,213	-	489,733	-
Community services operations	160,091	-	-	-
Interest and other charges	1,076,560	-	-	-
<i>Total governmental activities</i>	<u>\$ 43,060,333</u>	<u>\$ 900,852</u>	<u>\$ 10,268,022</u>	<u>\$ 3,260,714</u>
Business-type Activities:				
Food Services	203,951	114,684	86,292	-
Leased Facilities	740,924	2,528,937	-	-
<i>Total business-type activities</i>	<u>944,875</u>	<u>2,643,621</u>	<u>86,292</u>	<u>-</u>
<i>Total primary government</i>	<u>\$ 44,005,208</u>	<u>\$ 3,544,473</u>	<u>\$ 10,354,314</u>	<u>\$ 3,260,714</u>
Component Unit:				
Los Alamos Education Foundation	<u>\$ 209,983</u>			

General Revenues:

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

State equalization guarantee

Investment income

Gain (Loss) on investments

Miscellaneous income

Transfers

Loss on disposition of assets and exchange of land

Donations

Total general revenues

Change in net position

Net position, beginning

Net assets - restatement (Note 17)

Net assets - as restated

Net position, ending

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-Type Activities	Total	Component Unit
\$ (14,803,785)	\$ -	\$ (14,803,785)	\$ -
(2,665,604)	-	(2,665,604)	-
(961,827)	-	(961,827)	-
(474,423)	-	(474,423)	-
(1,239,700)	-	(1,239,700)	-
(1,257,830)	-	(1,257,830)	-
(5,383,445)	-	(5,383,445)	-
(607,480)	-	(607,480)	-
(160,091)	-	(160,091)	-
(1,076,560)	-	(1,076,560)	-
<u>(28,630,745)</u>	<u>-</u>	<u>(28,630,745)</u>	<u>-</u>
-	(2,975)	(2,975)	-
<u>-</u>	<u>1,788,013</u>	<u>1,788,013</u>	<u>-</u>
<u>-</u>	<u>1,785,038</u>	<u>1,785,038</u>	<u>-</u>
\$ (28,630,745)	\$ 1,785,038	\$ (26,845,707)	<u>\$ -</u>
			\$ (209,983)
239,792	-	239,792	-
6,081,515	-	6,081,515	-
2,258,307	-	2,258,307	-
24,950,238	-	24,950,238	-
53,460	56,193	109,653	808
-	-	-	(7,786)
74,420	-	74,420	6,535
2,090,000	(2,090,000)	-	-
(782,002)	-	(782,002)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>178,902</u>
<u>34,965,730</u>	<u>(2,033,807)</u>	<u>32,931,923</u>	<u>178,459</u>
<u>6,334,985</u>	<u>(248,769)</u>	<u>6,086,216</u>	<u>(31,524)</u>
106,255,308	7,384,427	113,639,735	392,796
<u>1,469,032</u>	<u>-</u>	<u>1,469,032</u>	<u>-</u>
<u>107,724,340</u>	<u>7,384,427</u>	<u>115,108,767</u>	<u>392,796</u>
<u>\$ 114,059,325</u>	<u>\$ 7,135,658</u>	<u>\$ 121,194,983</u>	<u>\$ 361,272</u>

STATE OF NEW MEXICO

Los Alamos Public Schools

Balance Sheet

Governmental Funds

June 30, 2014

	<u>General Fund</u>	<u>Entitlement IDEA-B</u>	<u>Bond Building</u>
<i>Assets</i>			
Cash and cash equivalents	\$ 3,774,347	\$ 167,167	\$ 4,525,305
Investments	187,048	-	5,515,232
Receivables:			
Property taxes	6,558	-	-
Due from other governments	-	278,862	-
Other	16,975	-	-
Inventory	211,419	-	-
Due from other funds	354,406	-	365,151
	<u>4,550,753</u>	<u>446,029</u>	<u>10,405,688</u>
<i>Total assets</i>	<u>\$ 4,550,753</u>	<u>\$ 446,029</u>	<u>\$ 10,405,688</u>
<i>Liabilities</i>			
Accounts payable	\$ 150,534	\$ 1,869	\$ 131,208
Due to other governments	-	25,304	-
Accrued payroll	1,308,884	18,634	-
Due to other funds	359,208	400,222	-
	<u>1,818,626</u>	<u>446,029</u>	<u>131,208</u>
<i>Total liabilities</i>	<u>1,818,626</u>	<u>446,029</u>	<u>131,208</u>
<i>Deferred inflows of resources</i>			
Unavailable revenue- property taxes	2,894	-	-
	<u>2,894</u>	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>2,894</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Nonspendable:			
Inventory	211,419	-	-
Spendable:			
Restricted for:			
Transportation	159,901	-	-
Instructional materials	225,989	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	-	10,274,480
Debt service	-	-	-
Committed for:			
Subsequent year's expenditures	2,131,924	-	-
Unassigned	-	-	-
	<u>2,729,233</u>	<u>-</u>	<u>10,274,480</u>
<i>Total fund balances</i>	<u>2,729,233</u>	<u>-</u>	<u>10,274,480</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 4,550,753</u>	<u>\$ 446,029</u>	<u>\$ 10,405,688</u>

The accompanying notes are an integral part of these financial statements

Capital Improvements HB-33	Debt Service Fund	Other Governmental Funds	Total
\$ 2,098,521	\$ 5,867,520	\$ 984,214	\$ 17,417,074
2,512,512	-	-	8,214,792
59,896	159,342	-	225,796
-	-	265,020	543,882
-	-	-	16,975
-	-	-	211,419
8,130	-	4,522	732,209
<u>\$ 4,679,059</u>	<u>\$ 6,026,862</u>	<u>\$ 1,253,756</u>	<u>\$ 27,362,147</u>
\$ 11,729	\$ -	\$ 24,309	\$ 319,649
-	-	5,276	30,580
-	-	9,381	1,336,899
-	-	365,160	1,124,590
<u>11,729</u>	<u>-</u>	<u>404,126</u>	<u>2,811,718</u>
<u>25,269</u>	<u>66,378</u>	<u>-</u>	<u>94,541</u>
<u>25,269</u>	<u>66,378</u>	<u>-</u>	<u>94,541</u>
-	-	-	211,419
-	-	-	159,901
-	-	-	225,989
-	-	154,946	154,946
-	-	794,947	794,947
4,642,061	-	-	14,916,541
-	5,960,484	-	5,960,484
-	-	-	2,131,924
-	-	(100,263)	(100,263)
<u>4,642,061</u>	<u>5,960,484</u>	<u>849,630</u>	<u>24,455,888</u>
<u>\$ 4,679,059</u>	<u>\$ 6,026,862</u>	<u>\$ 1,253,756</u>	<u>\$ 27,362,147</u>

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STATE OF NEW MEXICO

Los Alamos Public Schools

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2014

Exhibit B-1

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Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds	\$ 24,455,888
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds	132,744,885
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	94,541
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued compensated absences not due and payable	(531,112)
Accrued interest payable	(459,928)
Bond premiums	(694,949)
Bonds, loans and capital leases payable	<u>(41,550,000)</u>
Total net position - governmental funds	<u>\$ 114,059,325</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	<u>General Fund</u>	<u>Entitlement IDEA-B</u>	<u>Bond Building Capital Projects Fund</u>
<i>Revenues</i>			
Property taxes	\$ 239,648	\$ -	\$ -
Intergovernmental revenue			
Federal flowthrough	-	692,474	-
Federal direct	8,306,897	-	-
Local sources	2,693	-	-
State flowthrough	206,073	-	-
State direct	24,950,238	-	3,106,136
Transportation distribution	489,733	-	-
Charges for services	91,907	-	-
Investment income	16,257	-	25,247
Miscellaneous	26,550	-	-
<i>Total revenues</i>	<u>34,329,996</u>	<u>692,474</u>	<u>3,131,383</u>
<i>Expenditures</i>			
Current			
Instruction	21,069,353	404,081	-
Support services - students	3,812,952	227,281	-
Support services - instruction	1,386,917	114	-
Support services - general administration	637,562	-	-
Support services - school administration	1,869,435	-	-
Central services	1,908,112	-	-
Operation and maintenance of plant	4,713,218	923	-
Student transportation	905,541	-	-
Food services operations	-	-	-
Community services operations	99,595	60,075	-
Capital outlay	377,968	-	11,191,469
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>36,780,653</u>	<u>692,474</u>	<u>11,191,469</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,450,657)</u>	<u>-</u>	<u>(8,060,086)</u>
<i>Other financing sources (uses)</i>			
Transfers in	2,075,000	-	-
Transfers (out)	-	-	-
Bond premium	-	-	92,007
Bond proceeds	-	-	4,900,000
<i>Total other financing sources (uses)</i>	<u>2,075,000</u>	<u>-</u>	<u>4,992,007</u>
<i>Net change in fund balances</i>	(375,657)	-	(3,068,079)
<i>Fund balances - beginning</i>	<u>3,104,890</u>	<u>-</u>	<u>13,342,559</u>
<i>Fund balances - end of year</i>	<u>\$ 2,729,233</u>	<u>\$ -</u>	<u>\$ 10,274,480</u>

The accompanying notes are an integral part of these financial statements

Capital Improvements HB-33	Debt Service Fund	Other Governmental Funds	Total
\$ 2,257,958	\$ 6,079,906	\$ -	\$ 8,577,512
-	-	204,736	897,210
-	-	2,200	8,309,097
108,250	-	2,648	113,591
-	-	406,896	612,969
-	-	-	28,056,374
-	-	-	489,733
-	-	808,945	900,852
10,233	1,268	455	53,460
5,348	-	42,522	74,420
<u>2,381,789</u>	<u>6,081,174</u>	<u>1,468,402</u>	<u>48,085,218</u>
-	-	680,804	22,154,238
-	-	522,733	4,562,966
-	-	75,335	1,462,366
22,678	64,049	-	724,289
-	-	15,409	1,884,844
-	-	195	1,908,307
-	-	-	4,714,141
-	-	-	905,541
-	-	591	591
-	-	421	160,091
1,416,570	-	140,778	13,126,785
-	5,240,000	-	5,240,000
-	988,665	-	988,665
-	-	-	-
<u>1,439,248</u>	<u>6,292,714</u>	<u>1,436,266</u>	<u>57,832,824</u>
<u>942,541</u>	<u>(211,540)</u>	<u>32,136</u>	<u>(9,747,606)</u>
-	-	15,000	2,090,000
-	-	-	-
-	-	-	92,007
-	-	-	4,900,000
-	-	15,000	7,082,007
942,541	(211,540)	47,136	(2,665,599)
<u>3,699,520</u>	<u>6,172,024</u>	<u>802,494</u>	<u>27,121,487</u>
<u>\$ 4,642,061</u>	<u>\$ 5,960,484</u>	<u>\$ 849,630</u>	<u>\$ 24,455,888</u>

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STATE OF NEW MEXICO

Los Alamos Public Schools

Exhibit B-2

Page 2 of 2

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds	\$ (2,665,599)
--	----------------

Governmental funds report capital outlays as expenditures. However, in
the Statement of Activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense:

Capital expenditures	13,126,785
Depreciation expense	(3,761,873)
Book value of capital assets disposed	(782,002)

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenue in the funds:

Change in unavailable revenue related to property taxes receivable	2,102
--	-------

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:

Original bond premiums	(92,007)
Current year amortization of bond premium	72,007
Bond proceeds	(4,900,000)
Decrease in accrued compensated absences not due and payable	183,467
Increase in accrued interest payable	(87,895)
Principal payments on bonds	<u>5,240,000</u>

Change in net position of governmental activities	<u>\$ 6,334,985</u>
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STATE OF NEW MEXICO

Exhibit C-1

Los Alamos Public Schools

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		(Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 234,642	\$ 234,642	\$ 241,307	\$ 6,665
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	8,236,292	8,240,672	8,290,544	49,872
Local grants	-	-	2,693	2,693
State flowthrough	213,179	186,179	241,360	55,181
State direct	25,094,954	24,932,235	24,950,238	18,003
Combined state/local	-	-	-	-
Transportation distribution	520,973	489,733	489,733	-
Charges for services	65,000	65,000	91,972	26,972
Investment income	4,000	4,000	16,257	12,257
Miscellaneous	38,000	48,400	25,928	(22,472)
<i>Total revenues</i>	<u>34,407,040</u>	<u>34,200,861</u>	<u>34,350,032</u>	<u>149,171</u>
<i>Expenditures</i>				
Current				
Instruction	21,351,364	21,417,191	21,411,973	5,218
Support services	7,778,671	8,014,252	7,683,556	330,696
Central services	1,835,940	1,817,817	1,899,138	(81,321)
Operation and maintenance of plant	4,926,738	5,058,487	4,774,421	284,066
Student transportation	772,344	978,546	901,753	76,793
Food services operations	-	-	-	-
Community services operations	84,119	99,922	99,678	244
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>36,749,176</u>	<u>37,386,215</u>	<u>36,770,519</u>	<u>615,696</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,342,136)</u>	<u>(3,185,354)</u>	<u>(2,420,487)</u>	<u>764,867</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,342,136	3,185,354	-	(3,185,354)
Transfers in	-	-	2,075,000	2,075,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,342,136</u>	<u>3,185,354</u>	<u>2,075,000</u>	<u>(1,110,354)</u>
<i>Net change in fund balances</i>	-	-	(345,487)	(345,487)
<i>Fund balances - beginning of year</i>	-	-	3,011,149	3,011,149
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,665,662</u>	<u>\$ 2,665,662</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (345,487)
Adjustments to revenues for changes in state revenues and property taxes				(20,036)
Adjustments to expenditures for materials, other charges, transportation expenditures				(10,134)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (375,657)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	630,756	1,069,980	654,224	(415,756)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>630,756</u>	<u>1,069,980</u>	<u>654,224</u>	<u>(415,756)</u>
<i>Expenditures</i>				
Current				
Instruction	345,869	613,949	403,733	210,216
Support services	250,115	373,059	226,084	146,975
Central services	-	-	-	-
Operation and maintenance of plant	650	1,050	923	127
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>630,756</u>	<u>1,069,980</u>	<u>687,506</u>	<u>382,474</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,282)</u>	<u>(33,282)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(33,282)	(33,282)
<i>Fund balance - beginning of year</i>	-	-	(212,735)	(212,735)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (246,017)</u>	<u>\$ (246,017)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (33,282)
Adjustments to revenues for federal grants				38,250
Adjustments to expenditures for instructional				(4,968)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Los Alamos Public Schools

Statement of Net Position

Proprietary Funds

June 30, 2014

Exhibit D-1

	Enterprise Funds		
	Food Services	Leased Facilities	Total
<i>Assets</i>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 19,354	\$ 6,734,834	\$ 6,754,188
Other receivables	-	2,523	2,523
Interfund receivable	-	400,511	400,511
<i>Total current assets</i>	<u>19,354</u>	<u>7,137,868</u>	<u>7,157,222</u>
<i>Total assets</i>	<u>\$ 19,354</u>	<u>\$ 7,137,868</u>	<u>\$ 7,157,222</u>
<i>Liabilities and net position</i>			
<i>Liabilities</i>			
<i>Current liabilities</i>			
Accounts payable	\$ -	\$ 7,162	\$ 7,162
Accrued payroll	-	6,272	6,272
Interfund payable	-	8,130	8,130
<i>Total current liabilities</i>	<u>-</u>	<u>21,564</u>	<u>21,564</u>
<i>Total liabilities</i>	<u>-</u>	<u>21,564</u>	<u>21,564</u>
<i>Net position</i>			
Unrestricted	<u>19,354</u>	<u>7,116,304</u>	<u>7,135,658</u>
<i>Total net position</i>	<u>19,354</u>	<u>7,116,304</u>	<u>7,135,658</u>
<i>Total liabilities and net position</i>	<u>\$ 19,354</u>	<u>\$ 7,137,868</u>	<u>\$ 7,157,222</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2014

Exhibit D-2

	Enterprise Funds		
	Food Services	Leased Facilities	Total
<i>Operating revenues</i>			
Charges for services	\$ 114,684	\$ 2,528,937	\$ 2,643,621
Federal revenue	86,292	-	86,292
<i>Total operating revenues</i>	200,976	2,528,937	2,729,913
<i>Operating expenses</i>			
Payroll costs	-	331,278	331,278
Contractual Services	-	6,442	6,442
Food Costs	198,418	-	198,418
Other operating costs	5,533	403,204	408,737
<i>Total operating expenses</i>	203,951	740,924	944,875
<i>Operating income (loss)</i>	(2,975)	1,788,013	1,785,038
<i>Non-operating revenues (expenses)</i>			
Interest income	-	56,193	56,193
<i>Total non-operating revenues (expenses)</i>	-	56,193	56,193
<i>Income (loss) before transfers and grants</i>	(2,975)	1,844,206	1,841,231
Transfers out	-	(2,090,000)	(2,090,000)
<i>Change in net position</i>	(2,975)	(245,794)	(248,769)
<i>Net position, beginning of year</i>	22,329	7,362,098	7,384,427
<i>Net position, end of year</i>	\$ 19,354	\$ 7,116,304	\$ 7,135,658

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

Exhibit D-3

	Enterprise Funds		
	Food Services	Leased Facilities	Total
<i>Cash flows from operating activities</i>			
Cash received from user charges	\$ 200,976	\$ 2,526,914	\$ 2,727,890
Cash payments to employees for services	-	6,272	6,272
Cash payments to suppliers for goods and services	(203,951)	(736,929)	(940,880)
<i>Net cash (used) provided by operating activities</i>	(2,975)	1,796,257	1,793,282
<i>Cash flows from noncapital financing activities</i>			
Operating transfers	-	(2,090,000)	(2,090,000)
Interfund advances (payments)	-	36,466	36,466
<i>Net cash (used) by noncapital financing activities</i>	-	(2,053,534)	(2,053,534)
<i>Cash flows from investing activities</i>			
Interest on investments	-	56,193	56,193
<i>Net cash provided by investing activities</i>	-	56,193	56,193
<i>Net increase (decrease) in cash and cash equivalents</i>	(2,975)	(201,084)	(204,059)
<i>Cash and cash equivalents - beginning of year</i>	22,329	6,935,918	6,958,247
<i>Cash and cash equivalents - end of year</i>	\$ 19,354	\$ 6,734,834	\$ 6,754,188
<i>Reconciliation of operating income (loss) to net cash (used) provided by operating activities:</i>			
Operating (loss) income	\$ (2,975)	\$ 1,788,013	\$ 1,785,038
Adjustments to reconcile operating income (loss) to net cash (used) provided by operating activities:			
Changes in assets and liabilities			
Receivables	-	(2,020)	(2,020)
Accounts payable	-	3,992	3,992
Accrued payroll expenses	-	6,272	6,272
<i>Net cash (used) provided by operating activities</i>	\$ (2,975)	\$ 1,796,257	\$ 1,793,282

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2014

Exhibit E-1

<i>Current Assets</i>	
Cash and cash equivalents	<u>\$ 95,761</u>
<i>Total assets</i>	<u><u>\$ 95,761</u></u>
 <i>Current Liabilities</i>	
Due to student organizations	<u>\$ 95,761</u>
<i>Total liabilities</i>	<u><u>\$ 95,761</u></u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies

Los Alamos Public Schools “the District” is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of Los Alamos, New Mexico. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

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 Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates seven schools within the District with a total enrollment of approximately 3,500 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the District provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

During the year ended June 30, 2013, the District began the adoption of GASB Statements No. 65, Items Previously Reported as Assets and Liabilities, in which the District restated amounts that were previously considered bond issuance costs and accumulated amortization. During the year ended June 30, 2014, the District fully implemented GASB Statement No. 65 to reflect deferred inflows of resources for property taxes and grants. GASB Statement No. 65 established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

A. Financial Reporting Entity

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the District has one component unit, as described in the following paragraph, and is not a component unit of another governmental agency.

The Los Alamos Education Foundation is a component unit of the District, as defined by GASB Statement No. 61, and has a separate governing board. The Foundation is deemed to be fiscally dependent upon the District and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The discretely presented component unit does not have separately issued financial statements.

B. Government-wide and fund financial statements

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

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

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

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

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

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion.

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

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by School tax levy, state equalization and transportation funds, state instructional material allocations, Department of Energy assistance, and earnings from investments. Expenditures include all costs associated with the daily operations of the District except for those items included in other funds. The General Fund includes the *Transportation Fund*, which is used to account for the Transportation Distribution received from the New Mexico Public Education Department which is used to pay for the costs associated with transporting school age children. It also includes the *Instructional Materials Fund*, which is used to account for the monies received from the New Mexico Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

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

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The *Bond Building Capital Projects Fund* is used to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to any 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.

The *Capital Improvements HB-33 Capital Projects Fund* is used to account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of purchasing assets and supplies.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

Additionally, the District reports the following proprietary funds:

The *Food Service Special Revenue Fund* is used to account for costs of operating a student food program and is financed with the fees paid by program users.

The *Leased Facilities Fund* is used to account for the rental income generated from facilities leased by the District.

Additionally, the District reports the following agency fund:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

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

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.

D. Assets, Liabilities and Net Position or Equity

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

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP 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, 2014, the District does not have any investments in the LGIP.

Restricted Assets: The Debt Service Fund is used to report resources set aside for the payment of long-term debt principal and interest.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

The District receives monthly income from a tax levy in Los Alamos County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2014 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2014. The 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.

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 actually are consumed. Inventory is valued at cost. The cost of purchased items is recorded as an expenditure at the time individual inventory items are consumed.

Inventory in the General Fund consists of purchased items for maintenance, custodial and transportation supplies.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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 I government for purposes of implementing GASB 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 asset lives are not capitalized. Library books are not capitalized because they are considered to have a useful life of less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets. No interest was included as part of the cost of capital assets under construction.

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-50
Land improvements	10-50
Furniture, fixtures and equipment	5-15

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 deferred inflow of resources. The District has only one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue - property taxes, is 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 \$94,541 related to property taxes considered “unavailable.”

Compensated Absences: Qualified employees are entitled to earn and accumulate annual leave according to a graduated level schedule of up to 20 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 20 days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated level schedule of up to 16 days per year, depending on length of service, the employees hire date, and employment status. Employees may accumulate and carry forward a maximum of 230 days of sick leave. Employees are eligible for deferred sick leave payment upon retirement from the District at a rate of 25-30% of the employee’s daily salary rate for any days above a 90 days base up to a maximum of 140 days.

Vested or accumulated vacation leave that is expected to be liquidated with the expendable available financials 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 vacation leave that are not expected to be liquidated with the expendable available financial resources are reported in the government-wide statement of net position.

Accrued Payroll: In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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. For bonds issued after the District implemented GASB 34 in the year ended June 30, 2003, 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 amounts are inconsequential compared to the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs have been removed and will be considered a restatement for the implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as a financing source while discounts on debt issuances are reported as other financing uses.

Fund Balance Classification Policies and Procedures: The District has implemented GASB No. 54 and has defined the various categories reported in fund balance. For committed fund balance, the District's highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is the Board of Education.

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

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.

Nonspendable Fund Balance: At June 30, 2014, the nonspendable fund balance in the food service fund is made up of inventory in the amount of \$211,419 that is not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2014, the restricted fund balance on the governmental funds balance sheet is made up of \$1,335,783 for providing transportation, instructional materials, extracurricular activities, and education to the students of the District, \$14,916,541 for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, \$5,960,484 for the payment of principal and interest of the future debt service requirements as implemented by legislation.

The District has also committed fund balance in the amount of \$2,131,924 for expenditures in the subsequent year.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Minimum Fund Balance Policy: The District has not developed a policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies.

Net Position: Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets: Consists of 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.
- b. Restricted Net Position: Net position is reported as restricted when constraints are placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for “special revenue, debt service, and capital projects” are described on pages 35-36 and 62-65.
- c. Unrestricted Net Position: Net position that do not meet the definition of “Restricted” or “Net Investment in Capital Assets.”

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 for the District are management’s estimate of depreciation on assets over their estimated useful lives and the current portion of accrued compensated absences.

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 costs.

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$24,950,238 in state equalization guarantee distributions during the year ended June 30, 2014.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues

The District records only the portion of the taxes considered ‘measurable’ and ‘available’ in the governmental fund financial statements. The District recognized \$8,577,512 in tax revenues in the governmental fund financial statements during the year ended June 30, 2014. 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.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$489,733 in transportation distributions during the year ended June 30, 2014.

Instructional Materials: The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the Public Education Department “State Adopted Instructional Material” list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2014 totaled \$206,073.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. 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 did not receive any funds in State SB-9 matching during the year ended June 30, 2014.

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

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

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, 2014, the District did not received \$3,106,136 in state flow-through capital outlay funds.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates 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.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) 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 are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year’s budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits the District from exceeding budgetary control at the function level.

The appropriated budget for the year ended June 30, 2014, was properly amended by the District’s 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	\$ (2,342,136)	\$ (3,185,354)
Entitlement IDEA-B	\$ -	\$ -
Bond Building Capital Projects Fund	\$ (20,099,999)	\$ (20,189,788)
HB-33 Capital Projects Fund	\$ (3,554,760)	\$ (3,603,304)
Debt Service Fund	\$ (6,284,091)	\$ (6,284,091)
Food Service Proprietary Fund	\$ (35,965)	\$ (45,120)
Other Governmental Funds	\$ (528,528)	\$ (670,735)

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

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

The District's budgets on a modified cash basis with payroll or held checks being accrued and expensed, therefore, fund balances on the budget statements do not reconcile to cash due to the District's accrued payroll which is presented on the accrual basis.

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

The District does not budget for the Proprietary Fund Leased Facilities.

NOTE 3. Deposits and Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2014.

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 collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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 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.

Beginning January 1, 2013, all of the District's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for all deposit accounts out of state and up to \$250,000 for all time and saving accounts plus up to \$250,000 for all demand deposit accounts held at a single institution in state.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a 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 following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2014, \$31,101,665 of the District's bank balance of \$32,351,665 was subject to custodial credit risk. \$21,840,356 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. \$9,261,309 of the District's deposits was uninsured and uncollateralized at June 30, 2014.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 3. Deposits and Investments (continued)

Primary Government

	<u>Community Bank</u>	<u>First National Bank</u>	<u>Los Alamos National Bank</u>
Amount of deposits	\$ 3,812,807	\$ 17,020,114	\$ 9,870,237
FDIC coverage	<u>(250,000)</u>	<u>(500,000)</u>	<u>(250,000)</u>
Total uninsured public funds	<u>3,562,807</u>	<u>16,520,114</u>	<u>9,620,237</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	2,017,871	9,500,715	9,620,237
Uninsured and uncollateralized	<u>\$ 1,544,936</u>	<u>\$ 7,019,399</u>	<u>\$ -</u>
Collateral requirement (50%)	\$ 1,781,404	\$ 8,260,057	\$ 4,810,119
Pledged securities	<u>2,017,871</u>	<u>9,500,715</u>	<u>14,729,234</u>
Over (under) collateralized	<u>\$ 236,467</u>	<u>\$ 1,240,658</u>	<u>\$ 9,919,116</u>

	<u>Wells Fargo</u>	<u>Total</u>
Amount of deposits	\$ 1,648,507	\$ 32,351,665
FDIC coverage	<u>(250,000)</u>	<u>(1,250,000)</u>
Total uninsured public funds	<u>1,398,507</u>	<u>31,101,665</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	701,533	21,840,356
Uninsured and uncollateralized	<u>\$ 696,974</u>	<u>\$ 9,261,309</u>
Collateral requirement (50%)	\$ 699,254	\$ 15,550,833
Pledged securities	<u>701,533</u>	<u>26,949,353</u>
Over (under) collateralized	<u>\$ 2,280</u>	<u>\$ 11,398,520</u>

The collateral pledged is listed on Schedule III on this report. The types of collateral allowed are limited to direct obligations of the United States Government, all bonds issued by any agency, District or political subdivision of the State of New Mexico.

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2014. Funds 24000 through 25000 are federal funds and 27000 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2014:

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 3. Deposits and Investments (continued)

Fund #	Fund Name	Amount
24109	Preschool IDEA-B	\$ 8,530
24112	IDEA-B Early Intervention Services	71,328
24120	IDEA-B "Risk Pool"	3,358
24153	English Language Acquisition	12,422
24154	Teacher/Principal Training/Recruiting	25,714
24174	Carl D. Perkins - Secondary Current	99
25184	Indian Education Formula Grant	2,200
27103	Dual Credit Instructional Materials	7,721
27106	2010 GO Bond Student Library Fund	386
27107	2012 GO Bond Student Library Fund	22,165
27114	New Mexico Reads to Lead	4,640
27116	Applied Res/ Develop Projects PED	700
27171	2010 GO Bond Instructional Materials	52,716
27180	Early College in the High School	95,508
27183	NM Grown FVV	591
31400	Special Capital Outlay - State	46,328
	Total	<u>\$ 354,406</u>

Investments

The District has presented certificates of deposits of \$8,027,744 in the Statement of Net Position, as these have maturity dates greater than 90 days.

Reconciliation to the Statement of Net Position

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

Primary Government

Reconciliation to the Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 18,303,742
Restricted cash per Exhibit A-1	5,867,520
Investments per Exhibit A-1	8,214,792
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit E-1	<u>95,761</u>
Total cash, cash equivalents, and investments	<u>32,481,815</u>
Add: outstanding checks	441,258
Less: deposits in transit	(65,239)
Less: petty cash	(4,175)
Less: Money Market Funds held with Charles Schwab	<u>(501,994)</u>
Bank balance of deposits	<u>\$ 32,351,665</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 3. Deposits and Investments (continued)

Component Unit

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Foundation’s deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. At June 30, 2014, \$70,783 of the Foundation’s bank balance of \$320,783 was subject to custodial credit risk and \$250,000 was all insured by FDIC, the remaining was uninsured. As of June 30, 2014, the carrying amount of these deposits was \$320,035. The Foundation is a 501 (c)(3) tax exempt organization not subject to the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

	<u>Los Alamos National Bank</u>
Amount of deposits	\$ 320,783
FDIC coverage	<u>(250,000)</u>
Total uninsured public funds	<u>70,783</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the Foundations name	-
Uninsured and uncollateralized	<u>\$ 70,783</u>
Collateral requirement (50%)	\$ 35,392
Pledged securities	-
Over (under) collateralized	<u>\$ (35,392)</u>
 Reconciliation to the Statement of Net Position	
Cash and cash equivalents per Exhibit A-1	\$ 27,795
Restricted cash per Exhibit A-1	292,248
Investments per Exhibit A-1	<u>44,119</u>
Total cash, cash equivalents, and investments	<u>364,162</u>
Add: outstanding checks	748
Less: petty cash	(8)
Less: Investments	<u>(44,119)</u>
Bank balance of deposits	<u>\$ 320,783</u>

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 4. Accounts Receivable

Accounts receivable as of June 30, 2014, are as follows:

Governmental Activities:

	General Fund	Entitlement IDEA-B	Capital Improvements HB-33	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 6,558	\$ -	\$ 59,896	\$ 159,342	\$ -	\$ 225,796
Due from other governments:						
Federal sources	-	278,862	-	-	133,688	412,550
State sources	-	-	-	-	131,332	131,332
Other receivables:						
Miscellaneous	16,975	-	-	-	-	16,975
Total	\$ 23,533	\$ 278,862	\$ 59,896	\$ 159,342	\$ 265,020	\$ 786,653

In accordance with GASB No. 33, property tax revenues in the amount of \$94,541 that were not collected within the period of availability have been reclassified as deferred inflow of resources-property taxes in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

Proprietary fund receivables in the Leased Facilities fund as of June 30, 2014 totaled \$2,523 which represents an amount due in rent receivable. This is considered 100% collectible.

NOTE 5. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2014 is as follows:

Governmental Activities	Due from other funds	Due to other funds
Operational Fund	\$ 354,406	\$ -
Preschool IDEA-B	-	8,530
Title VI IASA	-	71,328
IDEA-B Risk Pool	-	3,358
Title III-A	-	12,422
Teacher/Principal Training/Recruiting	-	25,714
Carl D. Perkins Secondary Current	-	99
Indian Education Formual Grant	-	2,200
Dual Credit Instructional Materials	-	7,721
2010 G.O. Bond Student Library Fund	-	386
2012 G.O. Bond Student Library Fund	-	22,165
New Mexico Reads to Lead K-3 Reading Initiative	-	4,640
Applied Res/Develop Projects	-	700
2010 GOB Instructional Materials	-	52,716
Early College High School Start- Up	-	95,508
New Mexico Grown FVV	-	591
Special Capital Outlay State	-	46,328
Total	\$ 354,406	\$ 354,406

STATE OF NEW MEXICO
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Notes to Financial Statements
June 30, 2014

NOTE 5. Interfund Receivables, Payables, and Transfers (continued)

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

The District also recorded non cash basis “due to/due from’s” in order to move the revenues and/or expenditures that were posted in one fund to another fund during the year. The District intends to record permanent cash transfers in the coming year in order to properly allocate the cash balances. The non cash basis “due to/due from” balances at June 30, 2014 are as follows:

<u>Governmental Activities</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
Operational	\$ -	\$ 359,208
Bond Building	365,151	-
Entitlement IDEA-B		400,222
Capital Improvements HB-33	8,130	-
Athletics	2,431	-
Non-instructional Educational Support	-	12,444
Preschool IDEA-B	-	290
Early College High School Start-Up	4,071	-
 <u>Business-Type Activities</u>	 -	 -
Leased Facilities	<u>400,511</u>	<u>8,130</u>
 Total	 <u>\$ 780,294</u>	 <u>\$ 780,294</u>

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
	Non-Instructional Educational	
Leased Facilities	Support	\$ 15,000
Leased Facilities	Operational	<u>2,075,000</u>
	Total	<u>\$ 2,090,000</u>

STATE OF NEW MEXICO
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Notes to Financial Statements
June 30, 2014

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2014 follows. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2013	Adjustments to Net Position	Restatement of Net Position	Additions	Deletions	Balance June 30, 2014
Governmental activities:						
Capital assets not being depreciated:						
Land	\$ 51,995,577	\$ 790,000	\$ -	\$ -	\$ -	\$ 52,785,577
Construction in progress	14,175,937	-	3,032,246	6,484,108	13,317,652	10,374,639
Total capital assets not being depreciated	66,171,514	790,000	3,032,246	6,484,108	13,317,652	63,160,216
Capital assets being depreciated:						
Buildings and improvements	61,918,881	(646,298)	-	18,616,687	1,502,771	78,386,499
Land improvements	8,836,971	(164,141)	-	691,822	32,400	9,332,252
Furniture, fixtures, and equipment	10,108,532	20,439	-	651,820	1,884,518	8,896,273
Total capital assets being depreciated	80,864,384	(790,000)	-	19,960,329	3,419,689	96,615,024
Less accumulated depreciation:						
Buildings and improvements	16,751,867	-	594,778	2,305,635	720,769	18,931,511
Land improvements	1,901,042	-	67,497	661,825	32,400	2,597,964
Furniture, fixtures, and equipment	6,364,995	-	225,990	794,413	1,884,518	5,500,880
Total accumulated depreciation	25,017,904	-	888,265	3,761,873	2,637,687	27,030,355
Total capital assets, net of depreciation	\$ 122,017,994	\$ -	\$ 2,143,981	\$ 22,682,564	\$ 14,099,654	\$ 132,744,885

For the year ended June 30, 2014, depreciation expense was charged to the following functions:

Governmental Activities

Instruction	\$ 99,945
Support Services Student	1,728
Support Services Instruction	-
Operations and Maintenance of Plant	51,947
Student Transportation	191,672
Capital Outlay	3,412,478
Total	\$ 3,761,873

The District has active construction projects as of June 30, 2014. The projects include additions, renovations and improvements to school buildings and grounds. A portion of the outstanding projects is funded by payments made directly to contractors by the Public School Capital Outlay Council (PSCOC). The PSCOC was created under the public school capital outlay council pursuant to Subsection A of Section 22-24-9 NMSA 1978 to assist in identifying and funding all outstanding deficiencies in public schools and grounds that may adversely affect the \$3.1 million, which was awarded by the Public School Capital Outlay Council.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 6. Capital Assets (continued)

Component Unit	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
Capital assets being depreciated:				
Equipment	\$ -	\$ 515	\$ -	\$ 515
Total capital assets being depreciated	-	515	-	515
Less accumulated depreciation:				
Equipment	-	52	-	52
Total accumulated depreciation	-	52	-	52
Total capital assets, net of depreciation	<u>\$ -</u>	<u>\$ 463</u>	<u>\$ -</u>	<u>\$ 463</u>

NOTE 7. Long-term Debt

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$57,765,000. During the year, general obligation bonds for the same purpose totaling \$4,900,000 were issued for erecting, remodeling, making additions to and furnishing schools buildings and purchasing and improving school grounds. 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, 2014 are for governmental activities.

Bonds outstanding at June 30, 2014, are comprised of the following:

	<u>Series 2004</u>	<u>Series 2006</u>	<u>Series 2008</u>	<u>Series 2009</u>	<u>Series 2010</u>
Original Issue:	\$2,000,000	\$4,000,000	\$3,000,000	\$10,000,000	\$20,000,000
Principal:	1-Aug	1-Aug	1-Aug	1-Aug	1-Aug
Interest:	1-Aug	1-Aug	1-Aug	1-Aug	1-Aug
	1-Feb	1-Feb	1-Feb	1-Feb	1-Feb
Interest Rates:	2.00-3.50%	3.350-3.600%	3.00-4.00%	2.150-3.100%	2.000-3.125%
Maturity Date:	Aug-16	Aug-18	Aug-20	Aug-21	Aug-22
	<u>Series 2011</u>	<u>Series 2012</u>	<u>Series 2013</u>	<u>Series 2014</u>	
Original Issue:	\$6,865,000	\$5,000,000	\$6,900,000	\$4,900,000	
Principal:	1-Aug	1-Aug	1-Aug	1-Aug	
Interest:	1-Aug	1-Aug	1-Aug	1-Aug	
	1-Feb	1-Feb	1-Feb	1-Feb	
Interest Rates:	2.00-3.00%	2.000%-2.250%	2.00-3.00%	2.250-3.000%	
Maturity Date:	Aug-23	Aug-24	Aug-25	Aug-26	

STATE OF NEW MEXICO
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 Notes to Financial Statements
 June 30, 2014

NOTE 7. Long-term Debt (continued)

The following is a summary of the long-term debt and the activity for the year ended June 30, 2014:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Due Within One Year
General Obligation Bonds Series 2004	\$ 485,000	\$ -	\$ 100,000	\$ 385,000	\$ 100,000
General Obligation Bonds Series 2006	2,075,000	-	300,000	1,775,000	300,000
General Obligation Bonds Series 2008	2,220,000	-	200,000	2,020,000	200,000
General Obligation Bonds Series 2009	4,620,000	-	345,000	4,275,000	500,000
General Obligation Bonds Series 2010	16,275,000	-	2,560,000	13,715,000	1,775,000
General Obligation Bonds Series 2011	4,665,000	-	950,000	3,715,000	925,000
General Obligation Bonds Series 2012	4,650,000	-	785,000	3,865,000	300,000
General Obligation Bonds Series 2013	6,900,000	-	-	6,900,000	1,050,000
General Obligation Bonds Series 2014	-	4,900,000	-	4,900,000	-
Total Bonds	41,890,000	4,900,000	5,240,000	41,550,000	5,150,000
Compensated Absences	714,579	815,811	999,278	531,112	531,112
Total Long-Term Debt	\$ 42,604,579	\$ 5,715,811	\$ 6,239,278	\$ 42,081,112	\$ 5,681,112

On January 14, 2014, the District entered into a General Obligation School Building bond series 2014 in the amount of \$4,900,000 due in annual installments of August 1st, with interest rates 2.250% to 3.0% paid semiannually through August 2026. The balance at June 30, 2014 is \$4,900,000.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2014, including interest payments are as follows:

Fiscal Year Ending June 30, 2014	Principal	Interest	Total Debt Service
2015	\$ 5,150,000	\$ 1,036,861	\$ 6,186,861
2016	5,050,000	903,773	5,953,773
2017	3,785,000	787,286	4,572,286
2018	3,650,000	688,275	4,338,275
2019	4,075,000	583,400	4,658,400
2020-2024	17,225,000	1,314,944	18,539,944
2025-2027	2,615,000	65,181	2,680,181
	\$ 41,550,000	\$ 5,379,720	\$ 46,929,720

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 7. Long-term Debt (continued)

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2014, compensated absences decreased \$183,467 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

NOTE 8. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2014, there have been no claims that have exceeded insurance coverage.

NOTE 9. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of the District's full-time employees participate in an educational employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, other employees of state public school districts, colleges and universities, and some state agency employees) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P. O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy.

Member Contributions

Plan members earning \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 9.40% of their gross salary in fiscal year 2014, 10.10% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

STATE OF NEW MEXICO
Los Alamos Public Schools
Notes to Financial Statements
June 30, 2014

NOTE 9. Pension Plan – Educational Retirement Board (continued)

Employer Contributions

The District contributed 13.15% of gross covered salary in fiscal year 2014. In fiscal year 2015 the District will contribute 13.9% of gross covered salary.

The contribution requirements of plan members and the District are established in State Statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the years ended June 30, 2014, 2013, and 2012 were \$3,126,836, \$2,590,591 and \$2,074,557, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

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

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

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 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan (continued)

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee’s annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District’s contribution to the RHCA for the years ended June 30, 2014, 2013, and 2012 were \$475,154, \$475,247, and \$416,030, respectively, which equal the required contributions for each year.

NOTE 11. 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 amounts 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.

NOTE 12. Contingent Liabilities

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

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

NOTE 13. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit Fund Balances. The following fund maintained a deficit fund balance as of June 30, 2014:

Nonmajor Funds

Dual Credit Instructional Materials	\$ 3,920
Early College High School Start-Up	96,343
	96,343
Total Governmental Funds	\$ 100,263

The District incurred more expenditures than revenues received in these funds in the current year. The District anticipates these funds balance will not be in a deficit state in subsequent years.

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Notes to Financial Statements
 June 30, 2014

NOTE 13. Other Required Individual Fund Disclosures (continued)

B. Excess of expenditures over appropriations. The District had the following fund with function item expenditures were in excess of the budgeted appropriations for the year ended June 30, 2014.

Nonmajor Funds

Next Generation Assessments-Instruction	\$ 29,269
Total Governmental Funds	\$ 29,269

C. Designated cash appropriations in excess of available balance. The District had the following fund in which designated cash appropriations were in excess of available balances for the year ended June 30, 2014.

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
Debt Service Fund	\$ 6,284,091	\$ 6,236,793	\$ (47,298)

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. Commitments

The District had multiple construction projects ongoing as of the year ended June 30, 2014 that are to continue into the following fiscal year. These projects are as follows:

Project	Year Ending	Amount
Bond Project IV.700.3- Aspen Classroom Wing Replacement	2014	\$ 10,334,950

NOTE 16. Restricted Net Position

The government-wide statement of net position reports \$8,205,334 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net position restricted for special revenue, debt service and capital projects, see pages 35-36 and 62-65.

NOTE 17. Net Position Restatement

The District has restated net position in the amount of (\$674,949) due to previous year bond premiums being removed as a result of incorrectly adopting GASB Statement No. 65. In addition a restatement was made as Construction in Progress was understated by \$3,032,246 and accumulated depreciation was also understated by (\$888,265). Total amount of restatement for June 30, 2014 was \$1,469,032.

STATE OF NEW MEXICO
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NOTE 18. Subsequent Events

The date to which events occurring after June 30, 2014, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is November 7, 2014, which is the date on which the financial statements were issued.

NOTE 19. Subsequent Pronouncements

In June 2012, GASB Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, was issued Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The District will implement this standard during the fiscal year June 30, 2015 and will significantly impact the District.

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

In November 2013, GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, was issued Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2014. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68. The standard will be implemented during fiscal year June 30, 2015.

NOTE 20. Joint Powers Agreements

Facilities Management Assistance and Oversight

Participants – Los Alamos Public Schools

Public School Capital Outlay Council

Responsible party – All participants

Description – To provide ongoing capital outlay projects and inventory of facilities and equipment, their condition and maintenance activities for them.

Begin date – September 14, 2010

Ending date – Until notified

Estimated amount of project – Unknown

Audit responsibility – Each participant

Fiscal agent – Not applicable

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

ATE OF NEW MEXICO
Los Alamos Public Schools
Nonmajor Governmental Fund Descriptions
June 30, 2014

Special Revenue Funds

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

Non-Instructional Educational Support (23000) – To account for funds paid to the Schools for student activity travel. Accumulated funds are used to replace activity buses. Funding authority is the New Mexico Public Education Department.

ALL FEDERAL FUNDS – The Special Revenue Funds are used to account for grant funds received from the U.S. Department of Education through the New Mexico Public Education Department. These funds are to be used for purposes specified in the grant awards and may not be used for any other purpose.

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 disabled children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the Public Education Department. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

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

IDEA-B Risk Pool (24120) – Funding for students with disabilities who are parentally placed in private elementary and secondary schools (equitable participation services) located in the school district. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

Title III-A (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. Authority for creation of this fund is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101, 3129.

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. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

Carl D. Perkins (24174 – Carl D. Perkins Secondary Current) (24175 – Carl D Perkins Secondary - PY Unliq. Obligations) (24176 – Carl D. Perkins Secondary - Redistribution) – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Public Education Department. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Early Intervention Services IDEA-B - Federal Stimulus (24212) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are for students in kindergarten through grade 12 (with a particular emphasis on students in kindergarten through grade 3) who have not been identified as needing special education or related services but who need additional academic and behavioral support to succeed in the general education environment.

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

STATE OF NEW MEXICO
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June 30, 2014

Special Revenue Funds (continued)

LANL Foundation (26113) – Educational enrichment grant in support of The Renaissance Program. The authority for creation of this fund is the New Mexico Public Education Department.

Keep New Mexico Beautiful, Inc (26178) – Education grants are provided to assist schools, educators, and students with an opportunity to make difference in New Mexico through education. Projects may include, environmental awareness, environmental projects, tree planting and campus xeriscape projects, educational outdoor gardens, horticulture/nature education, recycling project, and campus clean up projects.

Los Alamos Public School Foundation (26189) - Donations from the LAPS Foundation.

Dual Credit Instructional Materials (27103) – SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority for the creation of this fund is the New Mexico Public Education Department.

2010 GO Bond Student Library Fund (27106) – This award allows schools to acquire library books, equipment and library resources for public school library resources for public school libraries statewide. The funding was made available through Senate Bill 1, Laws of 2010, 2nd Special Session B3.

2012 GO Bond Student Library (27107) – To account for funds provided for the purpose of acquiring library books, equipment, and library resources for public school and state-supported school libraries statewide. Authority for the creation of this fund is the New Mexico Public Education Department.

New Mexico Reads to Lead K-3 Reading Initiative (27114) – This fund is to account for funds received to provide children to acquire a firm foundation in literacy and are not only prepared for future academic success, but will possess a lifelong love of reading. New Mexico's early reading initiative, New Mexico Reads to Lead, provides an aligned approach for districts and schools to ensure that children can read by the end of third grade—giving them essential skills for future career and college success. The New Mexico Reads to Lead! Initiative funds a reading K–3 Formative Assessment System provided to districts at no cost. It also provides regional and district reading coaches, supports for intervention, and professional development for parents, teachers, reading coaches, and administrators. In addition, this site highlights literacy resources for parents, teachers, administrators, and other stakeholders. Please visit often as the content will be regularly updated. Authority for the creation of this fund is the New Mexico Public Education Department.

2013 Statewide Robotics (27116) – This award is to purchase and install robot equipment and related infrastructure statewide for public school robotics education programs participating in the Albuquerque annual robotics competition. The authority for creation of this fund is the New Mexico Public Education Department.

2010 GOB Instructional Materials (27171) – To account for annual funds which allow schools to purchase books and instructional materials; software, and software licenses that are used as instructional materials. Authority and funding of this fund is established by the New Mexico Legislature.

2013 School Bus (27178) – To account for an award to purchase or replace school busses. The authority for creation of this fund is the New Mexico Public Education Department.

Early College High School Start-Up (27180) – This award allows low-income youth, first-generation college goers, English language learners, students of color, and other young people underrepresented in higher education to simultaneously earn a high school diploma and an Associate's degree or up to two years of credit toward a Bachelor's degree-tuition free. The authority for creation of this fund is the New Mexico Public Education Department.

New Mexico Grown FVV (27183) – This funding is to be used to implement the New Mexico-grown Fresh Fruits and Vegetables (NMFFV) program through Los Alamos Public School's School Food Authority. All funds are to be spent only on produce grown in New Mexico. The Authority for the creation of the is fund is the New Mexico Public Education Department.

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June 30, 2014

Special Revenue Funds (continued)

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

Capital Projects Funds

Special Capital Outlay State Capital Projects (31400) – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of specific capital outlay projects. Funding authority is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue			
	Athletics	Non-Instructional Educational Support	Preschool IDEA-B	Title VI IASA
<i>Assets</i>				
Cash and cash equivalents	\$ 158,215	\$ 763,956	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	9,072	73,955
Other	-	-	-	-
Inventory	-	-	-	-
Due from other funds	2,431	-	-	-
<i>Total assets</i>	<u>\$ 160,646</u>	<u>\$ 763,956</u>	<u>\$ 9,072</u>	<u>\$ 73,955</u>
<i>Liabilities</i>				
Accounts payable	\$ 5,700	\$ 7,577	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	-	-	252	2,627
Due to other funds	-	12,444	8,820	71,328
<i>Total liabilities</i>	<u>5,700</u>	<u>20,021</u>	<u>9,072</u>	<u>73,955</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	154,946	-	-	-
Education	-	743,935	-	-
Capital acquisitions and improvements	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>154,946</u>	<u>743,935</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 160,646</u>	<u>\$ 763,956</u>	<u>\$ 9,072</u>	<u>\$ 73,955</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
IDEA-B Risk Pool	Title III-A	Teacher/ Principal Training /Recruiting	Carl D. Perkins Secondary Current	Carl D Perkins Secondary - PY Unliq. Obligations
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
3,358	12,931	32,044	99	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,358</u>	<u>\$ 12,931</u>	<u>\$ 32,044</u>	<u>\$ 99</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	509	4,767	-	-
-	-	1,563	-	-
3,358	12,422	25,714	99	-
<u>3,358</u>	<u>12,931</u>	<u>32,044</u>	<u>99</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,358</u>	<u>\$ 12,931</u>	<u>\$ 32,044</u>	<u>\$ 99</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue			
	Early Intervention Services IDEA-B - Federal Stimulus	Indian Education Formula Grant	LANL Foundation	Keep New Mexico Beautiful, Inc.
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 17,098	\$ 2,621
Receivables:				
Property taxes	-	-	-	-
Due from other governments	29	2,200	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ 29	\$ 2,200	\$ 17,098	\$ 2,621
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	29	-	-	-
Due to other funds	-	2,200	-	-
	-	2,200	-	-
<i>Total liabilities</i>	29	2,200	-	-
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
	-	-	-	-
<i>Total deferred inflows of resources</i>	-	-	-	-
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	17,098	2,621
Capital acquisitions and improvements	-	-	-	-
Unassigned	-	-	-	-
	-	-	17,098	2,621
<i>Total fund balances</i>	-	-	17,098	2,621
<i>Total liabilities and fund balances</i>	\$ 29	\$ 2,200	\$ 17,098	\$ 2,621

The accompanying notes are an integral part of these financial statements

Special Revenue				
Los Alamos Public School Foundation	Dual Credit Instructional Materials	2010 G.O. Bond Student Library Fund	2012 G.O. Bond Student Library Fund	New Mexico Reads to Lead K- 3 Reading Initiative
\$ 42,324	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	3,801	386	22,165	4,645
-	-	-	-	-
-	-	-	-	-
<u>\$ 42,324</u>	<u>\$ 3,801</u>	<u>\$ 386</u>	<u>\$ 22,165</u>	<u>\$ 4,645</u>
\$ 11,032	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	4
-	7,721	386	22,165	4,640
<u>11,032</u>	<u>7,721</u>	<u>386</u>	<u>22,165</u>	<u>4,644</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
31,292	-	-	-	1
-	-	-	-	-
-	(3,920)	-	-	-
<u>31,292</u>	<u>(3,920)</u>	<u>-</u>	<u>-</u>	<u>1</u>
<u>\$ 42,324</u>	<u>\$ 3,801</u>	<u>\$ 386</u>	<u>\$ 22,165</u>	<u>\$ 4,645</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue			
	2013 Statewide Robotics	2010 GOB Instructional Materials	2013 School Bus	Early College High School Start- Up
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	700	52,716	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	2,091
	<u>\$ 700</u>	<u>\$ 52,716</u>	<u>\$ -</u>	<u>\$ 2,091</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	-	-	-	4,906
Due to other funds	700	52,716	-	93,528
	<u>700</u>	<u>52,716</u>	<u>-</u>	<u>98,434</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Unassigned	-	-	-	(96,343)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,343)</u>
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,343)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 700</u>	<u>\$ 52,716</u>	<u>\$ -</u>	<u>\$ 2,091</u>

The accompanying notes are an integral part of these financial statements

<u>Special Revenue</u>		<u>Capital Projects</u>		
<u>New Mexico Grown FVV</u>	<u>Next Generation Assessments</u>	<u>Special Capital Outlay State</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ -	\$ -	\$ -	\$ 984,214	
-	-	-	-	
591	-	46,328	265,020	
-	-	-	-	
-	-	-	-	
-	-	-	4,522	
<u>\$ 591</u>	<u>\$ -</u>	<u>\$ 46,328</u>	<u>\$ 1,253,756</u>	
\$ -	\$ -	\$ -	\$ 24,309	
-	-	-	5,276	
-	-	-	9,381	
591	-	46,328	365,160	
<u>591</u>	<u>-</u>	<u>46,328</u>	<u>404,126</u>	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	154,946	
-	-	-	794,947	
-	-	-	-	
-	-	-	(100,263)	
-	-	-	849,630	
<u>\$ 591</u>	<u>\$ -</u>	<u>\$ 46,328</u>	<u>\$ 1,253,756</u>	

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	Special Revenue			
		Non-Instructional		
	Athletics	Educational Support	Preschool IDEA-B	Title VI IASA
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	22,096	110,128
Federal direct	-	-	-	-
Local sources	2,648	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	110,623	698,322	-	-
Investment income	75	380	-	-
Miscellaneous income	600	-	-	-
<i>Total revenues</i>	<u>113,946</u>	<u>698,702</u>	<u>22,096</u>	<u>110,128</u>
<i>Expenditures</i>				
Current:				
Instruction	119,871	57,096	10,902	110,128
Support services - students	-	511,900	10,833	-
Support services - instruction	-	-	250	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service operations	-	-	111	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>119,871</u>	<u>568,996</u>	<u>22,096</u>	<u>110,128</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,925)</u>	<u>129,706</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	15,000	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(5,925)	144,706	-	-
<i>Fund balances - beginning</i>	<u>160,871</u>	<u>599,229</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 154,946</u>	<u>\$ 743,935</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
IDEA-B Risk Pool	Title III-A	Teacher/ Principal Training /Recruiting	Carl D. Perkins Secondary Current	Carl D Perkins Secondary - PY Unliq. Obligations
\$ -	\$ -	\$ -	\$ -	\$ -
6,386	6,347	58,549	-	1,201
-	-	-	-	-
-	793	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,386</u>	<u>7,140</u>	<u>58,549</u>	<u>-</u>	<u>1,201</u>
6,386	7,140	-	-	1,201
-	-	-	-	-
-	-	50,064	-	-
-	-	-	-	-
-	-	8,290	-	-
-	-	195	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>6,386</u>	<u>7,140</u>	<u>58,549</u>	<u>-</u>	<u>1,201</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	Special Revenue			
	Early Intervention Services IDEA-B - Federal Stimulus	Indian Education Formula Grant	LANL Foundation	Keep New Mexico Beautiful, Inc.
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	29	-	-	-
Federal direct	-	2,200	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	2,621
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	6,500	-
<i>Total revenues</i>	29	2,200	6,500	2,621
<i>Expenditures</i>				
Current:				
Instruction	29	2,200	2,957	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	29	2,200	2,957	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	3,543	2,621
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	3,543	2,621
<i>Fund balances - beginning</i>	-	-	13,555	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 17,098	\$ 2,621

The accompanying notes are an integral part of these financial statements

Special Revenue				
Los Alamos Public School Foundation	Dual Credit Instructional Materials	2010 G.O. Bond Student Library Fund	2012 G.O. Bond Student Library Fund	New Mexico Reads to Lead K- 3 Reading Initiative
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	8,001	386	22,165	85,712
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
35,422	-	-	-	-
<u>35,422</u>	<u>8,001</u>	<u>386</u>	<u>22,165</u>	<u>85,712</u>
34,419	8,001	-	-	85,401
-	-	-	-	-
2,470	-	386	22,165	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	310
-	-	-	-	-
-	-	-	-	-
<u>36,889</u>	<u>8,001</u>	<u>386</u>	<u>22,165</u>	<u>85,711</u>
<u>(1,467)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(1,467)	-	-	-	1
<u>32,759</u>	<u>(3,920)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 31,292</u>	<u>\$ (3,920)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

	Special Revenue			
	2013 Statewide Robotics	2010 GOB Instructional Materials	2013 School Bus	Early College High School Start- Up
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	700	115,880	94,450	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>700</u>	<u>115,880</u>	<u>94,450</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	700	115,880	-	89,224
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	7,119
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service operations	-	-	-	-
Capital outlay	-	-	94,450	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>700</u>	<u>115,880</u>	<u>94,450</u>	<u>96,343</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,343)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,343)</u>
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (96,343)</u>

The accompanying notes are an integral part of these financial statements

Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
New Mexico Grown FVV	Next Generation Assessments	Special Capital Outlay State		
\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	204,736
-	-	-	-	2,200
-	-	-	-	2,648
591	29,269	46,328		406,896
-	-	-	-	-
-	-	-	-	808,945
-	-	-	-	455
-	-	-	-	42,522
<u>591</u>	<u>29,269</u>	<u>46,328</u>		<u>1,468,402</u>
-	29,269	-	-	680,804
-	-	-	-	522,733
-	-	-	-	75,335
-	-	-	-	-
-	-	-	-	15,409
-	-	-	-	195
-	-	-	-	-
-	-	-	-	-
591	-	-	-	591
-	-	-	-	421
-	-	46,328		140,778
-	-	-	-	-
-	-	-	-	-
<u>591</u>	<u>29,269</u>	<u>46,328</u>		<u>1,436,266</u>
-	-	-	-	32,136
-	-	-	-	15,000
-	-	-	-	-
-	-	-	-	15,000
-	-	-	-	47,136
-	-	-	-	802,494
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 849,630</u>

STATE OF NEW MEXICO

Statement B-1

Los Alamos Public Schools
Athletics Special Revenue FundStatement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	2,648	2,648
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	101,000	101,000	110,623	9,623
Investment income	-	-	75	75
Miscellaneous	-	-	600	600
<i>Total revenues</i>	<u>101,000</u>	<u>101,000</u>	<u>113,946</u>	<u>12,946</u>
<i>Expenditures</i>				
Current				
Instruction	250,991	250,629	114,171	136,458
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>250,991</u>	<u>250,629</u>	<u>114,171</u>	<u>136,458</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(149,991)</u>	<u>(149,629)</u>	<u>(225)</u>	<u>149,404</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	149,991	149,629	-	(149,629)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>149,991</u>	<u>149,629</u>	<u>-</u>	<u>(149,629)</u>
<i>Net change in fund balance</i>	-	-	(225)	(225)
<i>Fund balance - beginning of year</i>	-	-	160,871	160,871
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,646</u>	<u>\$ 160,646</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (225)
No adjustments to revenues				-
Adjustments to expenditures for payroll expenses				(5,700)
Net change in fund balance (GAAP Basis)				<u>\$ (5,925)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	398,952	398,952	698,322	299,370
Investment income	-	-	380	380
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>398,952</u>	<u>398,952</u>	<u>698,702</u>	<u>299,750</u>
<i>Expenditures</i>				
Current				
Instruction	220,129	220,035	57,066	162,969
Support services	694,000	694,000	504,353	189,647
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>914,129</u>	<u>914,035</u>	<u>561,419</u>	<u>352,616</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(515,177)</u>	<u>(515,083)</u>	<u>137,283</u>	<u>652,366</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	515,177	515,083	-	(515,083)
Transfers in	-	-	15,000	(15,000)
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>515,177</u>	<u>515,083</u>	<u>15,000</u>	<u>(530,083)</u>
<i>Net change in fund balance</i>	-	-	152,283	122,283
<i>Fund balance - beginning of year</i>	-	-	599,229	599,229
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 751,512</u>	<u>\$ 721,512</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 152,283
No adjustments to revenues				-
Adjustments to expenditures for instructional and payroll expenditures				<u>(7,577)</u>
Net change in fund balance (GAAP Basis)				<u>\$ 144,706</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	17,931	31,818	14,345	(17,473)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,931</u>	<u>31,818</u>	<u>14,345</u>	<u>(17,473)</u>
<i>Expenditures</i>				
Current				
Instruction	4,858	15,361	10,902	4,459
Support services	11,573	13,957	11,083	2,874
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	1,500	2,500	111	2,389
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,931</u>	<u>31,818</u>	<u>22,096</u>	<u>9,722</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,751)</u>	<u>(7,751)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(7,751)	(7,751)
<i>Fund balance - beginning of year</i>	-	-	(1,321)	(1,321)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,072)</u>	<u>\$ (9,072)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (7,751)
Adjustments to revenues for federal grants				7,751
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Los Alamos Public Schools

Title VI IASA Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	111,000	76,916	(34,084)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>111,000</u>	<u>76,916</u>	<u>(34,084)</u>
<i>Expenditures</i>				
Current				
Instruction	-	111,000	110,128	872
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>111,000</u>	<u>110,128</u>	<u>872</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,212)</u>	<u>(33,212)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(33,212)	(33,212)
<i>Fund balance - beginning of year</i>	-	-	(40,743)	(40,743)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (73,955)</u>	<u>\$ (73,955)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (33,212)
Adjustments to revenues for federal grants				33,212
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	6,455	5,323	(1,132)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,455</u>	<u>5,323</u>	<u>(1,132)</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,455	6,386	69
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,455</u>	<u>6,386</u>	<u>69</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,063)</u>	<u>(1,063)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(1,063)	(1,063)
<i>Fund balance - beginning of year</i>	-	-	(2,295)	(2,295)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,358)</u>	<u>\$ (3,358)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,063)
Adjustments to revenues for federal grants				1,063
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Los Alamos Public Schools
 Title III-A Share Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	6,644	11,625	-	(11,625)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	4,695	4,695
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,644</u>	<u>11,625</u>	<u>4,695</u>	<u>(6,930)</u>
<i>Expenditures</i>				
Current				
Instruction	6,144	11,625	7,140	4,485
Support services	500	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,644</u>	<u>11,625</u>	<u>7,140</u>	<u>4,485</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,445)</u>	<u>(2,445)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(2,445)</u>	<u>(2,445)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(9,977)</u>	<u>(9,977)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,422)</u>	<u>\$ (12,422)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (2,445)
Adjustments to revenues for federal grants				2,445
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	58,549	85,168	26,619
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>58,549</u>	<u>85,168</u>	<u>26,619</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	58,549	58,354	195
Central services	-	-	195	(195)
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>58,549</u>	<u>58,549</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>26,619</u>	<u>26,619</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	26,619	26,619
<i>Fund balance - beginning of year</i>	-	-	(53,896)	(53,896)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,277)</u>	<u>\$ (27,277)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 26,619
Adjustments to revenues for federal grants				(26,619)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Los Alamos Public 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 Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	5,015	-	13,510	13,510
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,015</u>	<u>-</u>	<u>13,510</u>	<u>13,510</u>
<i>Expenditures</i>				
Current				
Instruction	5,015	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,015</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>13,510</u>	<u>13,510</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	13,510	13,510
<i>Fund balance - beginning of year</i>	-	-	(13,609)	(13,609)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (99)</u>	<u>\$ (99)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 13,510
Adjustments to revenues for federal grants				(13,510)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Los Alamos Public Schools

Carl D Perkins Secondary - PY Unliq. Obligations Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	1,983	1,201	(782)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,983</u>	<u>1,201</u>	<u>(782)</u>
<i>Expenditures</i>				
Current				
Instruction	251	1,983	1,201	782
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>251</u>	<u>1,983</u>	<u>1,201</u>	<u>782</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(251)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	251	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>251</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Los Alamos Public Schools

IDEA-B Early Intervention Services - Federal Stimulus Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
Adjustments to revenues for federal grants				29
Adjustments to expenditures for payroll expenditures				(29)
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Indian Education Formula Grant Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

Statement B-11

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	6,035	-	(6,035)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,035</u>	<u>-</u>	<u>(6,035)</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,035	2,200	3,835
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,035</u>	<u>2,200</u>	<u>3,835</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,200)</u>	<u>(2,200)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(2,200)	(2,200)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,200)</u>	<u>\$ (2,200)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (2,200)
Adjustments to revenues for federal grants				2,200
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Los Alamos Public Schools
LANL Foundation Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	3,000	6,500	3,500
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>6,500</u>	<u>3,500</u>
<i>Expenditures</i>				
Current				
Instruction	1,500	3,000	2,957	43
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,500</u>	<u>3,000</u>	<u>2,957</u>	<u>43</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,500)</u>	<u>-</u>	<u>3,543</u>	<u>3,543</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,500	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	3,543	3,543
<i>Fund balance - beginning of year</i>	-	-	13,555	13,555
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,098</u>	<u>\$ 17,098</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,543
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 3,543</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Los Alamos Public Schools
 Keep New Mexico Beautiful, Inc. Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	2,600	2,621	21
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,600</u>	<u>2,621</u>	<u>21</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	2,600	-	2,600
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,600</u>	<u>-</u>	<u>2,600</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,621</u>	<u>2,621</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	2,621	2,621
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,621</u>	<u>\$ 2,621</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 2,621
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 2,621</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Los Alamos Public Schools
 Los Alamos Public School Foundation Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	5,726	54,251	45,422	(8,829)
<i>Total revenues</i>	<u>5,726</u>	<u>54,251</u>	<u>45,422</u>	<u>(8,829)</u>
<i>Expenditures</i>				
Current				
Instruction	5,726	54,074	24,387	29,687
Support services	-	6,200	1,470	4,730
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,726</u>	<u>60,274</u>	<u>25,857</u>	<u>34,417</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(6,023)</u>	<u>19,565</u>	<u>25,588</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	6,023	-	(6,023)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>6,023</u>	<u>-</u>	<u>(6,023)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>19,565</u>	<u>19,565</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,759</u>	<u>22,759</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,324</u>	<u>\$ 42,324</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 19,565
Adjustments to revenues for state grants				(10,000)
Adjustments to expenditures for instructional function accruals				(11,032)
Net change in fund balance (GAAP Basis)				<u>\$ (1,467)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Los Alamos Public Schools

Dual Credit Instructional Materials Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	8,001	4,200	(3,801)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,001</u>	<u>4,200</u>	<u>(3,801)</u>
<i>Expenditures</i>				
Current				
Instruction	-	8,001	8,001	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,001</u>	<u>8,001</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,801)</u>	<u>(3,801)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(3,801)	(3,801)
<i>Fund balance - beginning of year</i>	-	-	(3,920)	(3,920)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,721)</u>	<u>\$ (7,721)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (3,801)
Adjustments to revenues for state grants				3,801
No adjustments for expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Los Alamos Public Schools
 2010 G.O. Bond Student Library Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	299	386	9,846	9,460
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>299</u>	<u>386</u>	<u>9,846</u>	<u>9,460</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	299	386	386	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>299</u>	<u>386</u>	<u>386</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>9,460</u>	<u>9,460</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	9,460	9,460
<i>Fund balance - beginning of year</i>	-	-	(9,846)	(9,846)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (386)</u>	<u>\$ (386)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 9,460
Adjustments to revenues for state grants				(9,460)
No adjustments for expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Los Alamos Public Schools
 2012 G.O. Bond Student Library Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	25,262	25,262	-	(25,262)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,262</u>	<u>25,262</u>	<u>-</u>	<u>(25,262)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	25,262	25,262	22,165	3,097
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,262</u>	<u>25,262</u>	<u>22,165</u>	<u>3,097</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,165)</u>	<u>(22,165)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(22,165)	(22,165)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,165)</u>	<u>\$ (22,165)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (22,165)
Adjustments for state grants				22,165
No adjustments for expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Los Alamos Public Schools

New Mexico Reads to Lead K-3 Reading Initiative Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	92,528	94,971	2,443
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>92,528</u>	<u>94,971</u>	<u>2,443</u>
<i>Expenditures</i>				
Current				
Instruction	-	92,218	85,401	6,817
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>92,528</u>	<u>85,711</u>	<u>6,817</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>9,260</u>	<u>9,260</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	9,260	9,260
<i>Fund balance - beginning of year</i>	-	-	(13,904)	(13,904)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,644)</u>	<u>\$ (4,644)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 9,260
Adjustments to revenues for state grants				(9,259)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 1</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Los Alamos Public Schools

2013 Statewide Robotics Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	6,165	-	(6,165)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,165</u>	<u>-</u>	<u>(6,165)</u>
<i>Expenditures</i>				
Current				
Instruction	-	6,165	700	5,465
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,165</u>	<u>700</u>	<u>5,465</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(700)</u>	<u>(700)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(700)	(700)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (700)</u>	<u>\$ (700)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (700)
Adjustments to revenues for state grants				700
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
2010 GOB Instructional Materials Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

Statement B-20

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	254,925	116,913	84,642	(32,271)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>254,925</u>	<u>116,913</u>	<u>84,642</u>	<u>(32,271)</u>
<i>Expenditures</i>				
Current				
Instruction	116,534	116,913	115,880	1,033
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>116,534</u>	<u>116,913</u>	<u>115,880</u>	<u>1,033</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>138,391</u>	<u>-</u>	<u>(31,238)</u>	<u>(31,238)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(138,391)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(138,391)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(31,238)	(31,238)
<i>Fund balance - beginning of year</i>	-	-	(21,478)	(21,478)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (52,716)</u>	<u>\$ (52,716)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (31,238)
Adjustments to revenues for state grants				31,238
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Los Alamos Public Schools

2013 School Bus Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	94,450	94,450	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>94,450</u>	<u>94,450</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	94,450	94,450	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>94,450</u>	<u>94,450</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Early College High School Start-Up Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

Statement B-22

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	100,000	-	(100,000)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<i>Expenditures</i>				
Current				
Instruction	-	89,225	89,224	1
Support services	-	8,994	7,119	1,875
Central services	-	1,781	-	1,781
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>100,000</u>	<u>96,343</u>	<u>3,657</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(96,343)</u>	<u>(96,343)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(96,343)</u>	<u>(96,343)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (96,343)</u>	<u>\$ (96,343)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (96,343)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (96,343)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Los Alamos Public Schools
 New Mexico Grown FVV Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	591	-	(591)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>591</u>	<u>-</u>	<u>(591)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	591	591	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>591</u>	<u>591</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(591)</u>	<u>(591)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(591)	(591)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (591)</u>	<u>\$ (591)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (591)
Adjustments to revenues for state grants				591
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Los Alamos Public 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 Ended June 30, 2014

Statement B-24

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	29,446	29,269	(177)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>29,446</u>	<u>29,269</u>	<u>(177)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	29,269	(29,269)
Support services	-	29,446	-	29,446
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>29,446</u>	<u>29,269</u>	<u>177</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Los Alamos Public Schools
 Special Capital Outlay State Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	255,000	255,000	-	(255,000)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>255,000</u>	<u>255,000</u>	<u>-</u>	<u>(255,000)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	255,000	255,000	46,328	208,672
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>255,000</u>	<u>255,000</u>	<u>46,328</u>	<u>208,672</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(46,328)</u>	<u>(46,328)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(46,328)	(46,328)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46,328)</u>	<u>\$ (46,328)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (46,328)
Adjustments to revenues for state grants				46,328
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Los Alamos Public Schools

Bond Building Capital Projects Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	89,789	-	25,247	25,247
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>89,789</u>	<u>-</u>	<u>25,247</u>	<u>25,247</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	20,189,788	20,189,788	10,979,777	9,210,011
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,189,788</u>	<u>20,189,788</u>	<u>10,979,777</u>	<u>9,210,011</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(20,099,999)</u>	<u>(20,189,788)</u>	<u>(10,954,530)</u>	<u>9,235,258</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	25,399,999	14,889,788	-	(14,889,788)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premiums	-	-	92,007	(92,007)
Bond proceeds	5,300,000	5,300,000	4,900,000	(400,000)
<i>Total other financing sources (uses)</i>	<u>30,699,999</u>	<u>20,189,788</u>	<u>4,992,007</u>	<u>(15,381,795)</u>
<i>Net change in fund balance</i>	10,600,000	-	(5,962,523)	(6,146,537)
<i>Fund balance - beginning of year</i>	-	-	16,368,211	16,368,211
<i>Fund balance - end of year</i>	<u>\$ 10,600,000</u>	<u>\$ -</u>	<u>\$ 10,405,688</u>	<u>\$ 10,221,674</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (5,962,523)
Adjustments to revenues for state grants				3,106,136
Adjustments to expenditures for capital outlay expenditures				(211,692)
Net change in fund balance (GAAP Basis)				<u>\$ (3,068,079)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Los Alamos Public Schools
 Capital Improvements HB-33 Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 2,271,249	\$ 2,271,249	\$ 2,267,797	\$ (3,452)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	10,233	10,233
Miscellaneous	-	-	5,348	5,348
<i>Total revenues</i>	<u>2,271,249</u>	<u>2,271,249</u>	<u>2,283,378</u>	<u>12,129</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	31,000	31,000	22,678	8,322
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	5,795,009	5,843,553	1,337,347	4,506,206
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,826,009</u>	<u>5,874,553</u>	<u>1,360,025</u>	<u>4,514,528</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,554,760)</u>	<u>(3,603,304)</u>	<u>923,353</u>	<u>4,526,657</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	3,554,760	3,603,304	-	(3,603,304)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,554,760</u>	<u>3,603,304</u>	<u>-</u>	<u>(3,603,304)</u>
<i>Net change in fund balance</i>	-	-	923,353	923,353
<i>Fund balance - beginning of year</i>	-	-	3,695,810	3,695,810
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,619,163</u>	<u>\$ 4,619,163</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 923,353
Adjustments to revenues for state grants				98,411
Adjustments to expenditures for capital outlay expenditures				<u>(79,223)</u>
Net change in fund balance (GAAP Basis)				<u>\$ 942,541</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

Los Alamos Public Schools

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 6,318,664	\$ 6,318,664	\$ 6,106,924	\$ (211,740)
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	1,268	1,268
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,318,664</u>	<u>6,318,664</u>	<u>6,108,192</u>	<u>(210,472)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	63,187	63,187	61,074	2,113
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,460,904	11,460,904	5,242,975	6,217,929
Interest	1,078,664	1,078,664	988,665	89,999
<i>Total expenditures</i>	<u>12,602,755</u>	<u>12,602,755</u>	<u>6,292,714</u>	<u>6,310,041</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,284,091)</u>	<u>(6,284,091)</u>	<u>(184,522)</u>	<u>6,099,569</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	6,284,091	6,284,091	-	(6,284,091)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>6,284,091</u>	<u>6,284,091</u>	<u>-</u>	<u>(6,284,091)</u>
<i>Net change in fund balance</i>	-	-	(184,522)	(184,522)
<i>Fund balance - beginning of year</i>	-	-	6,052,042	6,052,042
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,867,520</u>	<u>\$ 5,867,520</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (184,522)
Adjustments to revenues for property taxes				(27,018)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (211,540)</u>

The accompanying notes are an integral part of these financial statements

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GENERAL FUND

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Combining Balance Sheet
 General Fund
 June 30, 2014

Statement C-1

	Operational Fund	Transportation Fund	Instructional Materials Fund	Total
Assets				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 3,378,622	\$ 166,813	\$ 228,912	\$ 3,774,347
Investments	187,048	-	-	187,048
Receivables:				
Property taxes receivable	6,558	-	-	6,558
Due from other governments	-	-	-	-
Other receivables	16,975	-	-	16,975
Due from other funds	354,397	-	9	354,406
<i>Total assets</i>	\$ 4,155,019	\$ 166,813	\$ 228,921	\$ 4,550,753
Liabilities, deferred inflows of resources, and fund balances				
<i>Liabilities</i>				
Accounts payable	\$ 146,046	\$ 1,556	\$ 2,932	\$ 150,534
Accrued payroll	1,303,528	5,356	-	1,308,884
Due to other governments	-	-	-	-
Due to other funds	359,208	-	-	359,208
<i>Total liabilities</i>	1,808,782	6,912	2,932	1,818,626
<i>Deferred inflows of resources</i>				
Unavailable revenue- property taxes	2,894	-	-	2,894
<i>Total deferred inflows of resources</i>	2,894	-	-	2,894
<i>Fund balances</i>				
Nonspendable				
Inventory	211,419	-	-	211,419
Spendable				
Restricted for:				
Transportation	-	159,901	-	159,901
Instructional materials	-	-	225,989	225,989
Committed for:				
Subsequent year's expenditures	2,131,924	-	-	2,131,924
Unassigned	-	-	-	-
<i>Total fund balances</i>	2,343,343	159,901	225,989	2,729,233
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	\$ 4,155,019	\$ 166,813	\$ 228,921	\$ 4,550,753

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Los Alamos Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2014

Statement C-2

	Operational Fund	Transportation Fund	Instructional Materials Fund	Total
<i>Revenues</i>				
Property taxes	\$ 239,648	\$ -	\$ -	\$ 239,648
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	8,306,897	-	-	8,306,897
State flowthrough	-	-	206,073	206,073
Transportation distribution	-	489,733	-	489,733
Charges for services	91,907	-	-	91,907
Investment income	16,257	-	-	16,257
Miscellaneous	26,550	-	-	26,550
<i>Total revenues</i>	<u>33,634,190</u>	<u>489,733</u>	<u>206,073</u>	<u>34,329,996</u>
<i>Expenditures</i>				
Current				
Instruction	20,916,603	-	149,281	21,065,884
Support services - students	3,812,952	-	-	3,812,952
Support services - instruction	1,386,917	-	-	1,386,917
Support services - general administration	637,562	-	-	637,562
Support services - school administration	1,869,435	-	-	1,869,435
Central services	1,908,112	-	-	1,908,112
Operation and maintenance of plant	4,713,218	-	-	4,713,218
Student transportation	150,232	755,309	-	905,541
Food services operations	-	-	-	-
Community services operations	99,595	-	-	99,595
Capital outlay	381,437	-	-	381,437
<i>Total expenditures</i>	<u>35,876,063</u>	<u>755,309</u>	<u>149,281</u>	<u>36,780,653</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,241,873)</u>	<u>(265,576)</u>	<u>56,792</u>	<u>(2,450,657)</u>
<i>Other financing sources (uses)</i>				
Transfers in	1,775,000	300,000	-	2,075,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,775,000</u>	<u>300,000</u>	<u>-</u>	<u>2,075,000</u>
<i>Net change in fund balances</i>	(466,873)	34,424	56,792	(375,657)
<i>Fund balances - beginning</i>	<u>2,810,216</u>	<u>125,477</u>	<u>169,197</u>	<u>3,104,890</u>
<i>Fund balances - ending</i>	<u>\$ 2,343,343</u>	<u>\$ 159,901</u>	<u>\$ 225,989</u>	<u>\$ 2,729,233</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-3

Los Alamos Public Schools

Operational Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes				
Intergovernmental revenue	\$ 234,642	\$ 234,642	\$ 241,307	\$ 6,665
Federal flowthrough	-	-	-	-
Federal direct	8,236,292	8,240,672	8,290,544	49,872
Local grants	-	-	2,693	2,693
State flowthrough	27,000	-	-	-
State direct	25,094,954	24,932,235	24,950,238	18,003
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	65,000	65,000	91,972	26,972
Investment income	4,000	4,000	16,257	12,257
Miscellaneous	38,000	48,400	25,928	(22,472)
<i>Total revenues</i>	<u>33,699,888</u>	<u>33,524,949</u>	<u>33,618,939</u>	<u>93,990</u>
<i>Expenditures</i>				
Current				
Instruction	21,165,185	21,164,869	21,265,624	(100,755)
Support services	7,778,671	8,014,252	7,683,556	330,696
Central services	1,835,940	1,817,817	1,899,138	(81,321)
Operation and maintenance of plant	4,926,738	5,058,487	4,774,421	284,066
Student transportation	250,482	188,813	147,969	40,844
Food services operations	-	-	-	-
Community services operations	84,119	99,922	99,678	244
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>36,041,135</u>	<u>36,344,160</u>	<u>35,870,386</u>	<u>473,774</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,341,247)</u>	<u>(2,819,211)</u>	<u>(2,251,447)</u>	<u>567,764</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,341,247	2,819,211	-	(2,819,211)
Transfers in	-	-	1,775,000	1,775,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,341,247</u>	<u>2,819,211</u>	<u>1,775,000</u>	<u>(1,044,211)</u>
<i>Net change in fund balances</i>	-	-	(476,447)	(476,447)
<i>Fund balances - beginning of year</i>	-	-	2,751,347	2,751,347
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,274,900</u>	<u>\$ 2,274,900</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (476,447)
Adjustments to revenues for changes in state revenues and property taxes				15,251
Adjustments to expenditures for materials, other charges, and accrued payroll				(5,677)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (466,873)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-4

Los Alamos Public Schools

Transportation Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	520,973	489,733	489,733	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>520,973</u>	<u>489,733</u>	<u>489,733</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	521,862	789,733	753,784	35,949
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>521,862</u>	<u>789,733</u>	<u>753,784</u>	<u>35,949</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(889)</u>	<u>(300,000)</u>	<u>(264,051)</u>	<u>35,949</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	889	300,000	-	(300,000)
Transfers in	-	-	300,000	300,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>889</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	35,949	35,949
<i>Fund balances - beginning of year</i>	-	-	125,892	125,892
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,841</u>	<u>\$ 161,841</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 35,949
No adjustments to revenues				-
Adjustments to expenditures for transportation expenditures				(1,525)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 34,424</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-5

Los Alamos Public Schools

Instructional Materials Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local grants	-	-	-	-
State flowthrough	186,179	186,179	241,360	55,181
State direct	-	-	-	-
Combined state/local	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>186,179</u>	<u>186,179</u>	<u>241,360</u>	<u>55,181</u>
<i>Expenditures</i>				
Current				
Instruction	186,179	252,322	146,349	105,973
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>186,179</u>	<u>252,322</u>	<u>146,349</u>	<u>105,973</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(66,143)</u>	<u>95,011</u>	<u>161,154</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	66,143	-	(66,143)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>66,143</u>	<u>-</u>	<u>(66,143)</u>
<i>Net change in fund balances</i>	-	-	95,011	95,011
<i>Fund balances - beginning of year</i>	-	-	133,910	133,910
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,921</u>	<u>\$ 228,921</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 95,011
Adjustments to revenues for state grants receivables				(35,287)
Adjustments to expenditures for instructional materials expenditures				(2,932)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 56,792</u>

The accompanying notes are an integral part of these financial statements

PROPRIETARY FUNDS

STATE OF NEW MEXICO

Exhibit D-1

Los Alamos Public Schools

Food Services

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	70,000	70,000	74,520	4,520
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	146,302	140,147	114,661	(25,486)
Investment income	-	-	-	-
Miscellaneous	-	-	11,795	11,795
<i>Total revenues</i>	<u>216,302</u>	<u>210,147</u>	<u>200,976</u>	<u>(9,171)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	255,267	255,267	203,951	51,316
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>255,267</u>	<u>255,267</u>	<u>203,951</u>	<u>51,316</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(38,965)</u>	<u>(45,120)</u>	<u>(2,975)</u>	<u>42,145</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	38,965	45,120	-	(45,120)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>38,965</u>	<u>45,120</u>	<u>-</u>	<u>(45,120)</u>
<i>Net change in fund balance</i>	-	-	(2,975)	(2,975)
<i>Fund balance - beginning of year</i>	-	-	22,329	22,329
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,354</u>	<u>\$ 19,354</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (2,975)
No adjustments to revenues				-
No adjustments to expenditures				-
Change in net position (GAAP Basis)				<u>\$ (2,975)</u>

The accompanying notes are an integral part of these financial statements

COMPONENT UNIT

STATE OF NEW MEXICO
 Los Alamos Public Schools- Component Unit
 Los Alamos Public Schools Foundation
 Balance Sheet
 June 30, 2014

Exhibit E-1

	<u>Foundation</u>
<i>Assets</i>	
<i>Current assets</i>	
Cash and cash equivalents	\$ 27,795
Investments	44,119
<i>Total current assets</i>	71,914
 <i>Noncurrent assets</i>	
Restricted cash and cash equivalents	292,248
Capital assets	515
Less: accumulated depreciation	(52)
<i>Total noncurrent assets</i>	292,711
<i>Total assets</i>	\$ 364,625
 <i>Liabilities and fund balance</i>	
<i>Liabilities</i>	
<i>Current liabilities</i>	
Accounts payable	\$ -
Accrued payroll	3,353
<i>Total current liabilities</i>	3,353
<i>Total liabilities</i>	3,353
 <i>Fund Balance:</i>	
Reserved:	
Restricted schloarships & endowment	303,606
Unrestricted	57,666
<i>Total net position</i>	361,272
<i>Total liabilities and net position</i>	\$ 364,625

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Los Alamos Public Schools- Component Unit
 Statement of Revenues, Expenses and Changes in Fund Balance
 For the Year Ended June 30, 2014

Exhibit E-2

	<u>Foundation</u>
<i>Revenues:</i>	
Donations	\$ 178,902
Special events	6,535
Interest	808
Gain (Loss) on investments	(7,786)
<i>Total Revenues</i>	178,459
 <i>Expenditures:</i>	
Current:	
Program costs	108,231
Depreciation	52
General and administrative	101,700
<i>Total Expenditures</i>	209,983
<i>Net change in fund balance</i>	(31,524)
<i>Fund balances-beginning of year</i>	392,796
<i>Fund balances-end of year</i>	\$ 361,272

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO
Los Alamos Schools
Schedule of Deposits and Investment Accounts
June 30, 2014

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
Los Alamos National Bank					
Insurance Clearing	Checking	\$ 618,122	\$ -	\$ -	\$ 618,122
AP Clearing	Checking	400,610	51,435	350,577	101,468
Payroll Clearing	Checking	779,871	13,633	19,240	774,264
Operational	Checking	933,758	-	-	933,758
Athletics	Checking	157,740	-	-	157,740
Athletics Concession	Checking	7,936	1	-	7,937
LAMS Student Act	Checking	1,532	-	-	1,532
Activity- Noninstructional	Checking	760,390	-	-	760,390
Bond Building	Checking	274,068	-	-	274,068
Debt Service	Checking	5,867,520	-	-	5,867,520
Land Sale Escrow	Checking	68,690	-	-	68,690
Total Los Alamos National Bank		9,870,237	65,069	369,817	9,565,489
Wells Fargo Bank					
Operational	Savings	1,638,510	-	-	1,638,510
Operational	Checking	9,997	-	-	9,997
Total Wells Fargo Bank		1,648,507	-	-	1,648,507
First National Bank					
Operational MM	MM	320	-	-	320
Bond Building	MM	143,223	-	-	143,223
HB-33 CAP IMP	MM	2,100,446	-	44,794	2,055,652
Lease Facilities	MM	1,450,546	-	24,339	1,426,207
Leased FAC	MM	787,329	-	-	787,329
Bond Building	CD	2,510,044	-	-	2,510,044
Bond Building	CD	1,002,088	-	-	1,002,088
Leased FAC	CD	1,005,011	-	-	1,005,011
Bond Building	CD	1,001,860	-	-	1,001,860
Bond Building	CD	1,001,240	-	-	1,001,240
HB-33 CD	CD	2,512,512	-	-	2,512,512
Leased FAC	CD	1,469,620	-	-	1,469,620
Leased FAC	CD	526,879	-	-	526,879
Leased FAC	CD	226,125	-	-	226,125
Leased FAC	CD	226,125	-	-	226,125
Leased FAC	CD	226,125	-	-	226,125
Leased FAC	CD	226,125	-	-	226,125
Leased FAC	CD	226,686	-	-	226,686
Leased FAC	CD	151,124	-	-	151,124
Leased FAC	CD	226,686	-	-	226,686
Total First National Bank		17,020,114	-	69,133	16,950,981
Community Bank					
Land Sale	Checking	118,357	-	-	118,357
Bond Building	Checking	3,606,020	-	-	3,606,020
LAHS Activity fund	Checking	87,558	170	2,023	85,705
Imprests Accounts	Checking	872	-	285	587
Total Community Bank		3,812,807	170	2,308	3,810,669

See independent auditors' report

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
Charles Schwab					
General Account MMS	MM	1,994	-	-	1,994
General Account REPO	MM	250,000	-	-	250,000
General Account	MM	250,000	-	-	250,000
Total Charles Schwab		<u>501,994</u>	<u>-</u>	<u>-</u>	<u>501,994</u>
Petty cash					<u>4,175</u>
Total deposits and investments		<u>\$ 32,853,659</u>	<u>\$ 65,239</u>	<u>\$ 441,258</u>	<u>\$ 32,481,815</u>
Deposits and investments per financial statements:					
Cash and cash equivalents - Exhibit A-1					\$ 18,490,790
Restricted cash and cash equivalents - Exhibit A-1					5,867,520
Investments - Exhibit A-1					8,027,744
Statement of Fiduciary Assets and Liabilities Agency Funds - Exhibit D-1					<u>95,761</u>
Total deposits and investments					<u>\$ 32,481,815</u>

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STATE OF NEW MEXICO
Los Alamos Schools Foundation
Schedule of Deposits and Investment Accounts
June 30, 2014

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
Los Alamos National Bank					
LANB- Regular	Checking	\$ 17	\$ -	\$ 748	\$ (731)
LANB- LAPSf	Savings	27,247	-	-	27,247
LANB- Alumni	Savings	1,271	-	-	1,271
LANB- Restricted	Savings	292,248	-	-	292,248
Certificates available for sale		44,119	-	-	44,119
Total Los Alamos National Bank		<u>\$ 364,902</u>	<u>\$ -</u>	<u>\$ 748</u>	364,154
Petty Cash					<u>8</u>
					<u>\$ 364,162</u>
Deposits and investments per financial statements:					
Cash and cash equivalents - Exhibit A-1					\$ 27,795
Restricted cash and cash equivalents - Exhibit A-1					292,248
Investments - Exhibit A-1					<u>44,119</u>
Total deposits and investments					<u>\$ 364,162</u>

See independent auditors' report

STATE OF NEW MEXICO
Los Alamos Public Schools
Cash Reconciliation
For the Year Ended June 30, 2014

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Audited Cash				
June 30, 2013	\$ 2,786,962	\$ 126,790	\$ 133,910	\$ 22,329
Total cash June 30, 2013	<u>2,786,962</u>	<u>126,790</u>	<u>133,910</u>	<u>22,329</u>
Add:				
2013-2014 revenues	35,393,939	489,733	241,360	200,977
Repayment of prior year loans	-	-	-	-
Cash transfers	-	300,000	-	-
Loans from other funds	354,397	-	-	-
Bond premium	-	-	-	-
Total cash available	<u>38,535,298</u>	<u>916,523</u>	<u>375,270</u>	<u>223,306</u>
Less:				
2013-2014 expenditures	35,821,391	753,214	146,349	203,952
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	359,208	-	-	-
Net cash	<u>\$ 2,354,699</u>	<u>\$ 163,309</u>	<u>\$ 228,921</u>	<u>\$ 19,354</u>
Adjustments to cash- See finding FS 2014-008	<u>1,210,971</u>	<u>3,504</u>	<u>(9)</u>	<u>-</u>
Audited cash June 30, 2014	<u>\$ 3,565,670</u>	<u>\$ 166,813</u>	<u>\$ 228,912</u>	<u>\$ 19,354</u>

See independent auditors' report

Athletics 22000	Non-Instructional Support 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
<u>\$ 174,116</u>	<u>\$ 600,741</u>	<u>\$ 187,487</u>	<u>\$ -</u>	<u>\$ 36,314</u>	<u>\$ -</u>
174,116	600,741	187,487	-	36,314	-
111,515	698,296	855,381	-	54,543	317,379
-	-	-	-	-	-
-	15,000	-	-	-	-
-	-	121,741	-	-	-
-	-	-	-	-	-
<u>285,631</u>	<u>1,314,037</u>	<u>1,164,609</u>	<u>-</u>	<u>90,857</u>	<u>317,379</u>
114,171	550,684	893,004	2,200	28,814	457,568
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(2,200)	-	(140,189)
<u>\$ 171,460</u>	<u>\$ 763,353</u>	<u>\$ 271,605</u>	<u>\$ -</u>	<u>\$ 62,043</u>	<u>\$ -</u>
(13,245)	603	(104,438)	-	-	-
<u>\$ 158,215</u>	<u>\$ 763,956</u>	<u>\$ 167,167</u>	<u>\$ -</u>	<u>\$ 62,043</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Los Alamos Public Schools
Cash Reconciliation
For the Year Ended June 30, 2014

	State Direct 28000	Local/State 29000	Bond Building 31100	Public School Capital Outlay 31200
Audited Cash				
June 30, 2013	\$ -	\$ -	\$ 16,389,688	\$ -
Total cash June 30, 2013	-	-	16,389,688	-
Add:				
2012-2013 revenues	-	-	5,017,254	-
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans from other funds	-	-	-	-
Bond premium	-	-	-	-
Total cash available	-	-	21,406,942	-
Less:				
2012-2013 expenditures	-	-	11,344,928	-
Repayment of prior year loans	-	-	-	-
Cash transfers	-	-	-	-
Loans to other funds	-	-	-	-
Net cash	\$ -	\$ -	\$ 10,062,014	\$ -
Adjustments to cash- See finding FS 2014-008	-	-	(21,477)	-
Audited cash June 30, 2014	\$ -	\$ -	\$ 10,040,537	\$ -

See independent auditors' report

Capital Improvements SB-9 31400	Energy Efficiency Act 31500	Capital Improvements HB-33 31600	Debt Service 41000	Total
\$ -	\$ -	\$ 3,689,424	\$ 6,052,042	\$ 30,199,803
-	-	3,689,424	6,052,042	30,199,803
-	-	2,283,261	6,108,192	51,771,830
-	-	-	-	-
-	-	-	-	315,000
-	-	-	-	476,138
-	-	-	-	-
-	-	5,972,685	12,160,234	82,762,771
46,638	-	1,360,024	6,292,714	58,015,651
-	-	-	-	-
-	-	-	-	-
(46,638)	-	-	-	170,181
\$ -	\$ -	\$ 4,612,661	\$ 5,867,520	\$ 24,576,939
-	-	(1,628)	-	1,074,281
\$ -	\$ -	\$ 4,611,033	\$ 5,867,520	\$ 25,651,220
			plus Leased Facilities	6,734,834
			plus Activity Funds	95,761
				<u>\$ 32,481,815</u>

In the prior year the District reported cash from Leased Facilities-Fund 52000 and Fiduciary Funds. The reconciliation below ties to the beginning balances below to tie to beginning cash per cash reconciliaiton ending June 30, 2013.

Cash per Cash Reconciliaiton at June 30, 2013	\$ 37,734,120
less Leased Facilities- Fund 52000	(6,935,918)
less Fidicaury cash	(598,399)
Beginning cash used as of June 30, 2014	<u>\$ 30,199,803</u>

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2014

Schedule III

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2014</u>
Community Bank				
	FNMA	4/11/2016	3135G0BA0	\$ 1,034,360
	FNMA	5/21/2018	3135G0WJ8	980,090
	FNMA ARM	4/1/2027	313612HK2	3,421
				<u>2,017,871</u>
	Name and location of safekeeper for above pledged collateral: Federal Reserve Bank Boston, MA			
First National Bank				
	FNMA - Pool#: AB1766	11/1/2025	31416W6C1	1,720,751
	FNMA - Pool#: AK4047	2/1/2027	3138E8P97	3,038,114
	FHLMC Fixed Rate Note	10/17/2017	3134G3R77	3,016,850
	Alamogordo NM Muni Sch Dist #1**	8/1/2016	011464HR8	225,000
	Albuquerque Bernalillo Cnty NM**	7/1/2034	013493DG3	1,500,000
				<u>9,500,715</u>
	Name and location of safekeeper for above pledged collateral: Vining Sparks, Memphis TN			
Los Alamos National Bank				
	FHLB Bullet	9/12/2014	313370JS8	701,744
	FHLB Bullet	12/12/2014	3133XVNU1	4,937,435
	FFCB Callable	3/21/2016	3133ECAS3	4,998,861
	FHLB Bullet	9/9/2016	313370TW8	1,030,823
	FHLB Bullet	9/9/2016	313370TW8	2,061,647
	FHLB Callable Step-Up	5/7/2018	313380ZE0	998,724
				<u>14,729,234</u>
	Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank Dallas, TX			
Wells Fargo				
	FN AR2634 3.000%	2/1/2043	3138NY4U6	4,638
	FN AU4290 4.000%	9/1/2043	3138X3XU1	696,895
				<u>701,533</u>
	Name and location of safekeeper for above pledged collateral: BNY Mellon New York, NY			
	Total Pledged Collateral			<u>\$ 26,949,353</u>

** As per NMSA 2.2.2.10 (N) (4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See independent auditors' report

STATE OF NEW MEXICO
Los Alamos Public Schools
Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2014

Schedule IV

	<u>July 1, 2013</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2014</u>
High School Activity Fund	\$ 88,057	\$ 3,228	\$ 100,162	\$ 105,743	\$ 85,704
High School Activity Fund Imprest Account	555	1,631	-	1,599	587
High School Officials Account	2,152	(167)	-	1,985	-
High School Athletics Imprest Account	4,091	(15)	-	4,076	-
High School Athletics Concessions Fund	14,677	-	31,076	37,816	7,937
Middle School Activity Fund	5,161	-	22,549	26,177	1,533
Insurance Cleaing Account	<u>483,706</u>	<u>(483,706)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 598,399</u>	<u>\$ (479,029)</u>	<u>\$ 153,787</u>	<u>\$ 177,396</u>	<u>\$ 95,761</u>

See independent auditors' report

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COMPLIANCE SECTION



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

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Los Alamos Public Schools
Los Alamos, 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, business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue fund of Los Alamos Public Schools (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual fund statements and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated November 7, 2014.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying *schedule of findings and questioned costs* to be material weaknesses listed as items FS 2014-001, FS 2014-002 and FS 2014-006.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency listed as item FS 2014-003.

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 2007-005 (FS 07-05), FS 2013-002 (FS 13-02), FS 2014-004, FS 2014-005, FS 2014-007 and FS 2014-008.

The District's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the 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
November 7, 2014

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Los Alamos Public Schools
Los Alamos, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Los Alamos Public School's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditors' 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, 2014.

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 our 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, as defined above. 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
November 7, 2014

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number	Expenditures
U.S. Department of Energy			
<i>Direct United States Department of Energy</i>			
DOE Assistance Grant	*	11000	Public Law 108-375 <u>\$ 8,000,000</u>
Total U.S. Department of Energy			<u>8,000,000</u>
U.S. Department of Defense			
<i>Direct United States Department of Defense</i>			
NJROTC	11000	12.XXX	<u>67,211</u>
Total U.S. Department of Defense			<u>67,211</u>
U.S. Department of Education			
<i>Passthrough - State of NM Public Education Department</i>			
Impact Aid - General Fund	11000	84.041	235,306
IDEA-B Entitlement	24106	84.027	(1) 692,474
IDEA-B Preschool	24109	84.173	(1) 22,096
IDEA-B "Risk Pool"	24120	84.027	(1) 6,386
English Language Acquisiton	24153	84.365A	7,140
Improving Teacher Quality	24154	84.367A	58,549
Carl D Perkins Secondary PY	24175	84.048O	<u>1,201</u>
Total U.S. Department of Education Passthrough			<u>1,023,152</u>
U.S. Department of Agriculture			
<i>Passthrough - State of NM Public Education Department</i>			
Forest Reserve	11000	10.672	4,380
Nutrition Program			
National School Lunch Act	21000	10.553 & 10.555	<u>203,951</u>
Total U.S. Department of Agriculture Passthrough			<u>208,331</u>
Total Federal Financial Assistance			<u><u>\$ 9,298,694</u></u>

* Major program
 () Denotes cluster

See independent auditors' report
 See accompanying notes to schedule of expenditures of federal awards

Notes to Schedule of Expenditures of Federal AwardsBasis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Los Alamos Public 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.

Subrecipients

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

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 9,298,694
Total expenditures funded by other sources	<u>49,479,005</u>
Total expenditures	<u><u>\$ 58,777,699</u></u>

STATE OF NEW MEXICO
 Los Alamos Public Schools
 Schedule of Findings and Questioned Costs
 June 30, 2014

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

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

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 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? | No |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
Public Law 108-375	DOE Assistance Grant

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS 2007-005 (FS 07-05) Exceeded Budget Authority - (Other Matter)

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

Nonmajor Funds	
Next Generation Assessments-Instruction	\$ 29,269
Total Governmental Funds	\$ 29,269

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 budgeted the expense in one function and accounted for the actual expense a different function.

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

Agency's Response: The District agrees with the finding and will monitor its budgets with an increased awareness of its balances moving forward. A procedure has been put in place to review budgets quarterly. This will allow the district to process budget adjustment requests (BARs) in a timely manner if needed to stay within the districts approved PED budget.

FS 2013-002 (FS 13-02) – Control Deficiency-Internal Controls over Journal Entries (Repeated/Modified) – Other Matter

Condition: The District did not have adequate internal controls over non-standard journal entries entered into its accounting system and the District did not have a process for ensuring all non-standard journal entries were reviewed and documented that they were reviewed by management.

Criteria: NMAC 6.20.2.11 (A)- Internal Control Structure Standards- Every school district establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: The lack of proper internal controls over journal entries may result in errors or irregularities going undetected and cause financial statements to be misstated. The District may be at risk for fraudulent activity without a proper review process over journal entries.

Cause: With the changes in management positions during the year, the District has not had the opportunity to update, implement, or change internal controls and processes to address the journal entry system.

Auditors' Recommendations: The District should update their policies and procedures manual regarding the review and approval of journal entries and implement a procedure to insure non-standard journal entries are reviewed, approved and supported.

Agency's Response: The District agrees with the finding and has developed and implemented a procedure to address the lack of internal controls relative to journal entries. Management will review and sign off on all journal entries before they are entered into the accounting system.

FS 2014-001 Internal Control Structure Standards- (Material Weakness)

Condition: During our process of understanding the entity and its environment, we noted instances where elements of the framework of COSO were nonexistent or deficient. We also noted the following deficiencies:

- In regards to receipting procedures, the District does not compare the receipt log book to the cash log when revenues are received to ensure all receipts are accounted for. In addition 2 of 5 receipts tested “Check Deposit (date) LAPS” was missing on checks received for deposit.
- In regards to payroll, there is an a lack of segregation of duties where the accounting technician/payroll specialist has access to all essential job functions under the payroll process including changing the employee master file without review by management, entering payroll information to the system, review of payroll entry, access to and printing of checks, and authorization of direct deposits. Secondly, we noted that payroll is being currently reviewed by an upper level of management however, by this point the direct deposit has already been uploaded to the bank and does not have a upper level review before it is processed. Lastly, we noted during the review of pickup check process, the checks going to the facility maintenance personnel is pick up by the supervisor, but no signature is required upon pickup, and one handed out to the employees they do not sign for their checks.
- The District has implemented internal controls over review processes of bank reconciliation on a timely basis, but this review is not documented so auditors can see the timeliness of the review.
- There is no formal review policy or monitoring of the amounts of stipends provided by the District to employees. In addition, the District does not documented process or detailed documents available for review to reconcile or substantiate the service provided to the District for the amount of stipends being paid.
- The District has a formal agreement with New Mexico Highlands University in which the District will pay 100% of tuition costs, up to \$100 per course for books and fees. The employee is to turn in a copy of the paid semester and will receive reimbursement. The employee does not have to provide any proof of completion to ensure the course was completed satisfactory, in which has been identified as a lack of internal controls over this program.

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

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

Cause: The District has experienced turnover within certain departments and the implementation of the COSO internal control framework regarding the achievement of effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations has been a challenge.

Auditors’ Recommendations: We recommend that the District incorporate the five elements of the COSO internal control integrated framework in their organization. In particular, there must be a documented risk assessment process in place, there should be a mechanism in place to document the monitoring of the internal controls in place and the control environment must promote the highest ethical standards and efficient and effective path towards achieving the District’s goals. We recommend that internal controls be addressed at both the entity level and activity level. We also recommend that key management personnel attend a training class on internal control.

Agency Response: The District agrees with the finding and moving forward will make every effort to ensure that the five elements of The Committee of Sponsoring Organizations (COSO) are integrated into the framework of its operations. The District understands that the five components of internal controls as defined by COSO are: Control Environment; Risk Assessment; Information and Communication; Control Activities and Monitoring.

The District will also send the Chief Financial Officer and Comptroller to training on internal controls as recommended by the Auditors’.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 2014-002 Annual Inventory and Capital Assets (Material Weakness)

Condition: During testwork of capital assets it was noted that:

- The District has not performed an annual capital asset inventory of all movable chattels and equipment.
- The District understated the balance of Construction in Progress in the prior year in which went undetected. Amount of restatement to beginning balance is \$3,032,246. In addition adjustment to beginning depreciation amounts were restated by \$888,265. Net effect of restatement was \$2,143,981.

Criteria: According to State Audit Rule 2.2.2.10 V Capital Asset Inventory: (2) Section 12-20-1-16 NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors. In addition according to NMAC 2.20.1.16 (E) the results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency.

Effect: Items could be present on the capital assets listing that do not exist or items could exist that are not on the listing.

Cause: The District was unaware of the requirement of performing an annual inventory of movable chattels and equipment and therefore this was not completed as of June 30, 2014.

Auditors' Recommendations: We recommend the District perform an annual capital asset inventory timely and once this is completed the inventory shall be certified by the governing authority of the District.

Agency's Response: The District agrees with the finding and will ensure that an annual capital asset inventory is completed and that the inventory will be certified by the School Board on or before June 30 of every year.

FS 2014-003 Consumable Inventory Controls (Significant Deficiency)

Condition: During walk-through procedures performed over locations in which inventory of the District is held, it was noted that controls over the use of inventory are very weak and in some cases non-existent for the maintenance/custodial department. We also noted there is no procedure in place in regards to consuming inventory on hand or tracking inventory in any system

Criteria: Sections 6-5-1 through 6-5-6 NMSA, 1978 require internal accounting controls designed to prevent accounting errors and violations of state and federal laws and rules related to financial matters.

Effect: Without proper inventory controls, the District cannot verify what inventory they have on hand or is available for use. In addition, inventory may be misappropriated without management knowledge.

Cause: The District has not implemented and trained individuals on proper inventory management, nor is an inventory software system being used to the full extent.

Auditors' Recommendations: We recommend the District develop and implement policies and procedures designed to prevent or detect possible misstatements in its inventory as well as train individuals in the responsible departments the proper maintenance and handling of inventory.

Agency's Response: The District agrees with the finding and will work to implement policies and procedures to prevent the misstatement of inventory. The District will also train its employees on the handling of inventory.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 2014-004 Advertisement for Job Position Opening (Other Matter)

Condition: We have noted an instance in which the District did not follow its internal policy on internally advertising for an open job position. The District made an administrative directive to transfer a current employee to this position without proper advertisement internally.

Criteria: According to Los Alamos Public School Policy Number 4070R and 1070R- Equal Employment Opportunity- "(1.) When a job vacancy is determined, the applications in the appropriate area will be reviewed, (3.) The Coordinator of Human Resources and other appropriate staff will determine which applicants will be asked to come for interviews. A minimum of three qualified applicants will be asked to come for interviews." In addition open positions are to be advertised internally before open to public.

Effect: Without following proper written hiring processes, employees the District may be subject to having bias and favorable liabilities.

Cause: The District needed this position filled in a timely manner and made a decision to fill the position as soon as possible.

Auditors' Recommendations: We recommend the District follow all policies and procedures they have set forth in regards to hiring policies.

Agency's Response: The District will work to revise the policy and procedures relative to hiring to ensure the alignment between the districts' policies and the Superintendent's stated authorities in his/her contract.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 2014-005 Cash Appropriations in Excess of Available Cash Balances – (Other Matter)

Condition: The District did not budget “prior year cash balances” which resulted in the below fund having cash appropriations in excess of available cash balances:

	<u>Designated Cash</u>	<u>Beginning Year Cash & AR Available</u>	<u>Cash Appropriation in excess of available</u>
Debt Service Fund	\$ 6,284,091	\$ 6,236,793	\$ (47,298)

Criteria: Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Effect: The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the District incurring debt to pay for current year budgeted expenditures.

Cause: Inadequate monitoring of budget transfers in order to update the budget in accordance with available cash.

Auditors’ Recommendation: Greater attention should be given throughout the year to the cash balances actually available and budget adjustments in order to cover budgeted expenditures in excess of budgeted revenues, which include proper monitoring of year end cash balances and any necessary budget transfers throughout the year.

Agency’s Response: The District has implemented procedures to review its budgets on a quarterly basis. This will ensure that the District will be able to process needed budget adjustment requests (BARs) and maintain adequate cash balances to cover all expenses both incurred and anticipated throughout the year.

FS 2014-006 — Interfund Activity – (Material Weakness)

Condition: The interfund balances of the District were not tracked from previous years to ensure proper account balances.

Criteria: GASB 34, paragraph 112 requires that all interfund receivables/payables be recorded properly, in a timely manner. Also, Public Education Department (PED) Manual of Procedures PSAB Supplement No. 7 states cash controls requires that temporary inter-fund transfers be recorded as “due from” and “due to” accounts to indicate inter-fund receivables and payables.

Effect: The District’s interfund balances are misstated at year end. Also, the risk of fraud, errors, or irregularities not being prevented or detected in a timely manner is high due to the deteriorated nature of their financial information.

Cause: Due to the changes of financial personnel interfund activity has not tracked or balanced by funds causing these to not balance as of June 30, 2014.

Auditors’ Recommendation: We recommend that the District review and incorporate policies and processes to ensure interfund balances are correctly accounted for.

Agency’s Response: The District agrees with the finding and will implement policies and procedures to ensure the accuracy of its interfund balances.

FS 2014-007 — Untimely Preparation and Submission of Retiree Health Care Reports – (Other Matter)

Condition: During our reconciliation of RHC reports for the District, it was noted that three reports and contributions of the year were submitted late.

Criteria: Per 10-7C-15(D) NMSA 1978- requires contributions to be received by the 10th day of the month following the last pay period ending date. Interest on unpaid balances is calculated at the rate of 6% per year compounded monthly.

Effect: The District is subjected to assessed fees and therefore payment for these fees is made with public funds.

Cause: The District overlooked the reports for timely submission and submitted past the 10th of the month following the month covered by the report.

Auditors' Recommendation: We recommend that the District submit all reports in a timely matter to avoid any late fees and/or penalties.

Agency's Response: The District agrees with the finding and has made adjustments in the Payroll Department to ensure that late RHC payments are not made in the future.

FS 2014-008 — PED Cash Report – (Noncompliance)

Condition: During our review of the District's PED cash report it was noted that the cash balance per the June 30, 2014 cash report did not reconcile to District's cash balances per the general ledger by \$1,074,281. In addition there is a difference noted on cash report in the amount of \$358,208 that is unidentified between adjusted bank balance and PED ending cash total.

Criteria: Per New Mexico Manual of Procedures for Public School Accounting and Budgeting (PSAB) Supplement 7-Cash Controls- Each audit shall include a cash reconciliation reconciling the cash balance at the end of the previous fiscal year to the cash balance at the end of the current fiscal year. If cash is not able to be reconciled, the audit should contain a finding stating the PED reports do not reconcile to the school districts records.

Effect: The required PED cash report submitted as of June 30, 2014 was inaccurate.

Cause: Cash report that was submitted for June 30, 2014 was not reconciled at time of submission to the bank accounts and was not reviewed due to timing of new financial management's start date.

Auditors' Recommendation: We recommend that the District submit all reports accurately and with proper review. In addition we recommend the District ensure all balances are reconciled before submission.

Agency's Response: The District agrees with the finding; however it must be noted that there was significant turnover in upper management in the Business Department. This allowed for the submission of reports without proper review. As of date all vacancies have been filled thus ensuring proper oversight of all submitted reports moving forward.

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C. FEDERAL AWARD FINDINGS

No federal award findings

D. PRIOR YEAR AUDIT FINDINGS

FS 2007-005 (FS 07-05) – Exceeded Budget Authority – Significant Deficiency – Repeated/Modified

FS 2013-001 (FS 13-01) – Internal Controls Over Leave Procedures – Significant Deficiency – Resolved

FS 2013-002 (FS 13-02) – Control Deficiency – Internal Control over Journal Entries –Other Matter – Modified/Repeated

FS 2013-003 (FS 13-03) – Untimely Deposit of Cash Receipts – Compliance and Other Matters – Resolved

FS 2013-004 (FS 13-04) –Purchase Orders – Compliance and Other Matters – Resolved

FS 2013-005 (FS 13-05) – Pledged Collateral – Compliance and Other Matters - Resolved

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OTHER DISCLOSURES

Exit Conference

An exit conference was held on November 7, 2014. In attendance were the following:

Representing Los Alamos Public Schools:

Dr. Gene Schmidt, Superintendent
Lisa Montoya, CFO
Teresa Gatewood, Comptroller
Gerry Washburn, Assistant Superintendent/HR Director
Joanna Gillespie, Los Alamos Public Schools Foundation
Lorraine Hartway, CPA, Los Alamos Public School Foundation
Matt Williams, Board of Education
Allison Bailey, Audit Committee

Representing Accounting & Consulting Group, LLP:

Robert Cordova, CPA, Partner
Lorie Lawlis, In-charge

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes of Los Alamos Public Schools from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.