



STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS

ANNUAL FINANCIAL REPORT
June 30, 2015

De'Aun Willoughby CPA, PC
Certified Public Accountant
Clovis, New Mexico



STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
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STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Official Roster
June 30, 2015

BOARD OF EDUCATION

George A. Trujillo	Chairman
Tranquilino Hurtado	Vice-Chairman
Dennis Romero	Secretary
Angelo A. Vasquez	Member
Melvin O. Vigil	Member

SCHOOL OFFICIALS

Charles E. Trujillo	Superintendent
Miguel J. Martinez	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Mora Independent Schools

Mr. Keller and Members of the Board

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general funds and major special revenue funds of Mora Independent Schools (District), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the major capital projects, debt service and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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 States, Local Governments, and Non-Profit Organizations, and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

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

DeAnn Willoughby CPA PC

Clovis, New Mexico
October 5, 2015

FINANCIAL SECTION

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Government-Wide Statement of Net Position
 June 30, 2015

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 1,803,669
Taxes Receivable	126,484
Due from Grantor	239,522
Inventory	10,696
Total Current Assets	<u>2,180,371</u>
Noncurrent Assets	
Capital Assets	20,081,921
Less: Accumulated Depreciation	<u>(7,344,197)</u>
Total Noncurrent Assets	<u>12,737,724</u>
Total Assets	<u>14,918,095</u>
 Deferred Outflows of Resources	
Deferred Outflows Related to Pensions	<u>519,026</u>
Total Deferred Outflows of Resources	<u>519,026</u>
 Liabilities	
Current Liabilities	
Accounts Payable	22,963
Accrued Interest	19,249
Compensated Absences	30,731
Current Portion Due of Long-Term Debt	130,000
Total Current Liabilities	<u>202,943</u>
Noncurrent Liabilities	
Bonds	800,000
Pension Liability	7,328,431
Total Noncurrent Liabilities	<u>8,128,431</u>
Total Liabilities	<u>8,331,374</u>
 Deferred Inflows of Resources	
Deferred Inflows Related to Pensions	<u>1,366,633</u>
Total Deferred Inflows of Resources	<u>1,366,633</u>
 Net Position	
Net Investment in Capital Assets	12,737,724
Restricted for:	
Capital Projects	553,395
Debt Service	31,059
Unrestricted	<u>(7,583,064)</u>
Total Net Position	<u>\$ 5,739,114</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 3,874,229	337,591	\$ 839,390	\$ 0	\$ (2,697,248)
Support Services					
Students	467,522	42,778	58,724	0	(366,020)
Instruction	682,254	86,192	504,526	0	(91,536)
General Administration	360,621	5,892	37,180	0	(317,549)
School Administration	315,610	162	6,851	0	(308,597)
Central Services	185,476	29,770	0	0	(155,706)
Operation of Plant	1,113,465	20,132	110,088	0	(983,245)
Student Transportation	463,063	0	447,153	0	(15,910)
Other	6,570	0	0	0	(6,570)
Food Services Operations	383,475	7,124	394,223	0	17,872
Interest Expense	44,129	0	0	0	(44,129)
Total Governmental Activities	\$ 7,896,414	\$ 529,641	\$ 2,398,135	\$ 0	(4,968,638)
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					
25,529					
Property Taxes, Levied for Capital Projects					
170,969					
Property Taxes, Levied for Debt Service					
367,654					
Federal and State aid not restricted to specific purpose					
General					
4,611,446					
Capital					
99,329					
Interest and investment earnings					
3,409					
Miscellaneous					
25,137					
Subtotal, General Revenues					
5,303,473					
Change in Net Position					
334,835					
Net Position - Beginning					
13,972,991					
Restatement					
(8,568,712)					
Restated Beginning Net Position					
5,404,279					
Net Position - Ending					
\$ 5,739,114					

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
ASSETS			
Cash and Cash Equivalents	\$ 792,367	\$ 66,522	\$ 24,374
Receivables			
Taxes	5,416	0	0
Due From Grantor	0	0	0
Interfund Balance	233,776	0	0
Inventory	0	0	0
Total Assets	<u>\$ 1,031,559</u>	<u>\$ 66,522</u>	<u>\$ 24,374</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 10,438	\$ 0	\$ 0
Interfund Balance	0	0	0
Current Amount Due:			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>10,438</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources			
Unavailable Revenue	4,450	0	0
Total Deferred Inflows of Resources	<u>4,450</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Unassigned	1,016,671	66,522	24,374
Total Fund Balances	<u>1,016,671</u>	<u>66,522</u>	<u>24,374</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 1,031,559</u>	<u>\$ 66,522</u>	<u>\$ 24,374</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	<u>Special Revenue</u>		<u>Capital Projects</u>
	Title I	Gear Up	Senate
	24101	NM Initiative 25205	Bill Nine 31700
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 519,944
Receivables			
Taxes	0	0	36,090
Due From Grantor	59,282	74,875	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 59,282</u>	<u>\$ 74,875</u>	<u>\$ 556,034</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 4,988
Interfund Balance	59,282	74,875	0
Current Amount Due:			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>59,282</u>	<u>74,875</u>	<u>4,988</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>0</u>	<u>0</u>	<u>28,605</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>28,605</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue Funds	0	0	0
Capital Improvements	0	0	522,441
Debt Service	0	0	0
Unassigned	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>522,441</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 59,282</u>	<u>\$ 74,875</u>	<u>\$ 556,034</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2015

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 163,637	\$ 236,825	\$ 1,803,669
Receivables			
Taxes	84,978	0	126,484
Due From Grantor	0	105,365	239,522
Interfund Balance	0	0	233,776
Inventory	0	10,696	10,696
Total Assets	<u>\$ 248,615</u>	<u>\$ 352,886</u>	<u>\$ 2,414,147</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 7,537	\$ 22,963
Interfund Balance	0	99,619	233,776
Current Amount Due:			
Principal	130,000	0	130,000
Interest	19,249	0	19,249
Total Liabilities	<u>149,249</u>	<u>107,156</u>	<u>405,988</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>68,307</u>	<u>0</u>	<u>101,362</u>
Total Deferred Inflows of Resources	<u>68,307</u>	<u>0</u>	<u>101,362</u>
Fund Balances			
Nonspendable-Inventory	0	9,101	9,101
Restricted for:			
Special Revenue Funds	0	205,675	205,675
Capital Improvements	0	30,954	553,395
Debt Service	31,059	0	31,059
Unassigned	0	0	1,107,567
Total Fund Balances	<u>31,059</u>	<u>245,730</u>	<u>1,906,797</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 248,615</u>	<u>\$ 352,886</u>	<u>\$ 2,414,147</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2015

Total Fund Balance - Governmental Funds \$ 1,906,797

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

Property taxes receivable will be collected after the period of availability, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 101,362

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Capital Assets	\$ 20,081,921	
Accumulated Depreciation	<u>(7,344,197)</u>	12,737,724

Deferred Outflows and Inflows Related to Pensions are the results of differences in expected and actual actuary experience and the difference in actuary projected and actual earnings. Also changes in proportion and differences between contributions and proportionate share of contributions.

Deferred Outflows Related to Pensions	519,026	
Deferred Inflows Related to Pensions	<u>(1,366,633)</u>	(847,607)

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :

Compensated Absences	(30,731)	
Bonds	(800,000)	
Pension Liability	<u>(7,328,431)</u>	<u>(8,159,162)</u>

Total Net Position - Governmental Activities \$ 5,739,114

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Materials 14000
Revenues			
Property Taxes	\$ 26,209	\$ 0	\$ 0
Interest Income	3,409	0	0
Fees	49,902	0	0
State & Local Grants	4,565,814	415,962	31,375
Federal Grants	45,632	0	0
Miscellaneous	25,137	0	0
Total Revenues	4,716,103	415,962	31,375
Expenditures			
Current			
Instruction	2,294,470	0	13,224
Support Services			
Students	364,016	0	0
Instruction	109,257	0	0
General Administration	298,088	0	0
School Administration	321,897	0	0
Central Services	186,701	0	0
Operation of Plant	834,246	0	0
Student Transportation	0	371,973	0
Other	6,570	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	4,415,245	371,973	13,224
Excess (Deficiency) of Revenues Over Expenditures	300,858	43,989	18,151
Other Financing Sources (Uses)			
Transfers	(140,161)	0	0
Total Other Financing Sources (Uses)	(140,161)	0	0
Net Change in Fund Balance	160,697	43,989	18,151
Fund Balances at Beginning of Year	855,974	22,533	6,223
Restatement	0	0	0
Restated Beginning Fund Balance	855,974	22,533	6,223
Fund Balance End of Year	\$ 1,016,671	\$ 66,522	\$ 24,374

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue		Capital Projects
	Title I 24101	Gear Up NM Initiative 25205	Senate Bill Nine 31700
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 175,452
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	99,329
Federal Grants	191,548	216,110	0
Miscellaneous	0	0	0
Total Revenues	<u>191,548</u>	<u>216,110</u>	<u>274,781</u>
Expenditures			
Current			
Instruction	176,209	130,586	57,869
Support Services			
Students	0	8,617	0
Instruction	14,518	71,674	0
General Administration	821	5,071	1,704
School Administration	0	162	0
Central Services	0	0	0
Operation of Plant	0	0	166,925
Student Transportation	0	0	0
Other	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	84,957
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>191,548</u>	<u>216,110</u>	<u>311,455</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>(36,674)</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>(36,674)</u>
Fund Balances at Beginning of Year	0	0	559,115
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>559,115</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 522,441</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2015

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ 382,045	\$ 0	\$ 583,706
Interest Income	0	0	3,409
Fees	0	72,081	121,983
State & Local Grants	0	108,222	5,220,702
Federal Grants	0	1,842,576	2,295,866
Miscellaneous	0	0	25,137
Total Revenues	<u>382,045</u>	<u>2,022,879</u>	<u>8,250,803</u>
Expenditures			
Current			
Instruction	0	842,748	3,515,106
Support Services			
Students	0	90,089	462,722
Instruction	0	504,526	699,975
General Administration	3,712	37,180	346,576
School Administration	0	6,851	328,910
Central Services	0	0	186,701
Operation of Plant	0	110,088	1,111,259
Student Transportation	0	31,191	403,164
Other	0	0	6,570
Food Service Operations	0	373,412	373,412
Capital Outlay	0	15,777	100,734
Debt Service			
Principal	325,000	0	325,000
Interest	46,005	0	46,005
Total Expenditures	<u>374,717</u>	<u>2,011,862</u>	<u>7,906,134</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,328</u>	<u>11,017</u>	<u>344,669</u>
Other Financing Sources (Uses)			
Transfers	0	140,161	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>140,161</u>	<u>0</u>
Net Change in Fund Balance	<u>7,328</u>	<u>151,178</u>	<u>344,669</u>
Fund Balances at Beginning of Year	23,731	235,956	1,703,532
Restatement	0	(141,404)	(141,404)
Restated Beginning Fund Balance	<u>23,731</u>	<u>94,552</u>	<u>1,562,128</u>
Fund Balance End of Year	<u>\$ 31,059</u>	<u>\$ 245,730</u>	<u>\$ 1,906,797</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2015

Net Change in Fund Balance \$ 344,669

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

Some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities.

Property Taxes Receivable, June 30, 2014	\$ (120,916)	
Property Taxes Receivable, June 30, 2015	<u>101,362</u>	(19,554)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Depreciation Expense	(637,524)	
Capital Outlays	<u>100,734</u>	(536,790)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

325,000

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The difference in the current amount due and the accrued interest each year is:

Accrued Interest, June 30, 2014	23,569	
Current Amount Due, June 30, 2014	(21,693)	
Accrued Interest, June 30, 2015	(19,249)	
Current Amount Due, June 30, 2015	<u>19,249</u>	1,876

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences, June 30, 2014	33,444	
Compensated Absences, June 30, 2015	<u>(30,731)</u>	2,713

Pension contributions are reported as expenses in the government funds but are deferred outflows in the Statement of Net Position. Pension expense is reported in the Statement of Activities but not in the governmental funds.

Pension Contributions	519,026	
Pension Expense	<u>(302,105)</u>	<u>216,921</u>

Changes in Net Position of Governmental Activities \$ 334,835

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 24,867	\$ 24,867	\$ 25,604	\$ 737
Interest Income	2,235	2,235	3,409	1,174
Fees	46,318	46,318	49,903	3,585
State Grant	4,562,942	4,562,942	4,565,814	2,872
Federal Grant	4,295	4,295	45,632	41,337
Miscellaneous	25,000	25,000	25,137	137
Total Revenues	<u>4,665,657</u>	<u>4,665,657</u>	<u>4,715,499</u>	<u>49,842</u>
Expenditures				
Instruction				
Personnel Services	1,694,186	1,693,253	1,649,683	43,570
Employee Benefits	695,993	690,984	579,121	111,863
Professional & Tech Services	5,600	12,411	7,437	4,974
Purchased Services	20,000	29,795	28,595	1,200
Supplies	59,000	59,000	26,317	32,683
Supply Assets	106,401	100,599	599	100,000
Total Instruction	<u>2,581,180</u>	<u>2,586,042</u>	<u>2,291,752</u>	<u>294,290</u>
Support Services				
Students				
Personnel Services	277,116	223,140	170,665	52,475
Employee Benefits	105,578	87,613	50,904	36,709
Professional & Tech Services	151,201	155,317	130,828	24,489
Purchased Services	25,000	25,500	13,052	12,448
Supplies	2,000	2,120	1,727	393
Supply Assets	33,332	3,716	3,599	117
Total Students	<u>594,227</u>	<u>497,406</u>	<u>370,775</u>	<u>126,631</u>
Instruction				
Personnel Services	11,769	69,203	69,202	1
Employee Benefits	2,790	23,588	23,737	(149)
Supplies	13,500	21,145	16,318	4,827
Supply Assets	1,728	1,128	0	1,128
Total Instruction	<u>29,787</u>	<u>115,064</u>	<u>109,257</u>	<u>5,807</u>
General Administration				
Personnel Services	135,394	134,014	139,179	(5,165)
Employee Benefits	50,803	52,183	48,583	3,600
Professional & Tech Services	65,686	92,462	86,578	5,884
Purchased Services	28,400	27,160	20,593	6,567
Supplies	4,000	4,000	983	3,017
Supply Assets	17,636	0	0	0
Total General Administration	<u>\$ 301,919</u>	<u>\$ 309,819</u>	<u>\$ 295,916</u>	<u>\$ 13,903</u>

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
School Administration				
Personnel Services	\$ 253,900	\$ 245,375	\$ 231,591	\$ 13,784
Employee Benefits	88,002	99,047	88,890	10,157
Professional & Tech Services	0	400	350	50
Purchased Services	100	255	114	141
Supplies	2,000	2,000	952	1,048
Supply Assets	21,211	5,383	0	5,383
Total School Administration	<u>365,213</u>	<u>352,460</u>	<u>321,897</u>	<u>30,563</u>
Central Services				
Personnel Services	141,565	137,555	116,032	21,523
Employee Benefits	51,798	56,255	48,919	7,336
Professional & Tech Services	1,250	3,000	2,250	750
Purchased Services	1,000	17,824	13,918	3,906
Supplies	1,000	5,600	5,653	(53)
Supply Assets	12,121	0	0	0
Total Central Services	<u>208,734</u>	<u>220,234</u>	<u>186,772</u>	<u>33,462</u>
Operation of Plant				
Personnel Services	169,415	172,415	167,362	5,053
Employee Benefits	136,694	134,916	115,262	19,654
Professional & Tech Services	500	980	480	500
Purchased Property Services	462,000	481,878	358,737	123,141
Purchased Services	159,938	164,938	157,439	7,499
Supplies	45,000	45,000	40,600	4,400
Supply Assets	63,183	40,000	899	39,101
Total Operation of Plant	<u>1,036,730</u>	<u>1,040,127</u>	<u>840,779</u>	<u>199,348</u>
Other Support Service				
Other Support Services	162,369	162,369	9,643	152,726
Total Other Support Service	<u>162,369</u>	<u>162,369</u>	<u>9,643</u>	<u>152,726</u>
Total Support Services	<u>2,698,979</u>	<u>2,697,479</u>	<u>2,135,039</u>	<u>562,440</u>
Total Expenditures	<u>5,280,159</u>	<u>5,283,521</u>	<u>4,426,791</u>	<u>856,730</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ <u>(614,502)</u>	\$ <u>(617,864)</u>	\$ <u>288,708</u>	\$ <u>906,572</u>

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Other Financing Sources (Uses)				
Transfers	\$ 0	\$ 0	\$ (140,161)	\$ (140,161)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(140,161)</u>	<u>(140,161)</u>
Net Change in Cash Balance	(614,502)	(617,864)	148,547	766,411
Cash Balance Beginning of Year	<u>877,596</u>	<u>877,596</u>	<u>877,596</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 263,094</u>	<u>\$ 259,732</u>	<u>\$ 1,026,143</u>	<u>\$ 766,411</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 148,547	
Net Change in Taxes Receivable			(75)	
Net Change in Accounts Payable			11,545	
Net Change in Deferred Revenue			<u>680</u>	
Net Change in Fund Balance			<u>\$ 160,697</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 394,715	394,715	\$ 415,962	\$ 21,247
Total Revenues	<u>394,715</u>	<u>394,715</u>	<u>415,962</u>	<u>21,247</u>
Expenditures				
Support Services				
Student Transportation				
Personnel Services	37,080	41,680	42,891	(1,211)
Employee Benefits	14,428	16,134	14,904	1,230
Professional & Tech Services	200	200	0	200
Purchased Property Services	19,822	23,822	23,840	(18)
Purchased Services	<u>323,185</u>	<u>312,879</u>	<u>290,338</u>	<u>22,541</u>
Total Student Transportation	<u>394,715</u>	<u>394,715</u>	<u>371,973</u>	<u>22,742</u>
Total Support Services	<u>394,715</u>	<u>394,715</u>	<u>371,973</u>	<u>22,742</u>
Total Expenditures	<u>394,715</u>	<u>394,715</u>	<u>371,973</u>	<u>22,742</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	43,989	43,989
Cash Balance Beginning of Year	<u>22,533</u>	<u>22,533</u>	<u>22,533</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 22,533</u>	<u>\$ 22,533</u>	<u>\$ 66,522</u>	<u>\$ 43,989</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			<u>\$ 43,989</u>	
Net Change in Fund Balance			<u>\$ 43,989</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 23,788	\$ 23,788	\$ 31,375	\$ 7,587
Total Revenues	<u>23,788</u>	<u>23,788</u>	<u>31,375</u>	<u>7,587</u>
Expenditures				
Instruction				
Supplies	28,104	28,104	13,224	14,880
Total Instruction	<u>28,104</u>	<u>28,104</u>	<u>13,224</u>	<u>14,880</u>
Total Expenditures	<u>28,104</u>	<u>28,104</u>	<u>13,224</u>	<u>14,880</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,316)	(4,316)	18,151	22,467
Cash Balance Beginning of Year	<u>6,223</u>	<u>6,223</u>	<u>6,223</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,907</u>	<u>\$ 1,907</u>	<u>\$ 24,374</u>	<u>\$ 22,467</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures			\$ 18,151	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 18,151</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 218,252	\$ 241,447	\$ 178,708	\$ (62,739)
Total Revenues	<u>218,252</u>	<u>241,447</u>	<u>178,708</u>	<u>(62,739)</u>
Expenditures				
Instruction				
Personnel Services	109,248	114,413	114,383	30
Employee Benefits	52,835	57,706	56,319	1,387
Professional & Tech Services	1,000	1,485	0	1,485
Supplies	1,000	9,460	8,905	555
Total Instruction	<u>164,083</u>	<u>183,064</u>	<u>179,607</u>	<u>3,457</u>
Support Services				
Instruction				
Personnel Services	8,240	10,786	10,733	53
Employee Benefits	2,064	3,732	3,785	(53)
Total Instruction	<u>10,304</u>	<u>14,518</u>	<u>14,518</u>	<u>0</u>
General Administration				
Professional & Tech Services	821	821	821	0
Total General Administration	<u>821</u>	<u>821</u>	<u>821</u>	<u>0</u>
Total Support Services	<u>11,125</u>	<u>15,339</u>	<u>15,339</u>	<u>0</u>
Total Expenditures	<u>175,208</u>	<u>198,403</u>	<u>194,946</u>	<u>3,457</u>
Excess (Deficiency) of Revenues Over Expenditures	43,044	43,044	(16,238)	(59,282)
Cash Balance Beginning of Year	<u>(43,044)</u>	<u>(43,044)</u>	<u>(43,044)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (59,282)</u>	<u>\$ (59,282)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (16,238)	
Net Change in Due from Grantor			12,840	
Net Change in Accounts Payable			3,398	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-GEAR UP NM INITIATIVE-25205
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 299,423	\$ 305,688	\$ 220,658	\$ (85,030)
Total Revenues	<u>299,423</u>	<u>305,688</u>	<u>220,658</u>	<u>(85,030)</u>
Expenditures				
Instruction				
Personnel Services	69,730	69,528	68,988	540
Employee Benefits	27,560	26,278	25,543	735
Professional & Tech Services	8,132	7,622	7,622	0
Purchased Services	25,317	28,447	23,493	4,954
Supplies	6,390	4,940	4,940	0
Total Instruction	<u>137,129</u>	<u>136,815</u>	<u>130,586</u>	<u>6,229</u>
Support Services				
Students				
Personnel Services	9,990	7,290	6,780	510
Employee Benefits	0	1,651	1,542	109
Purchased Services	0	296	295	1
Total Students	<u>9,990</u>	<u>9,237</u>	<u>8,617</u>	<u>620</u>
Instruction				
Personnel Services	52,015	52,015	52,015	0
Employee Benefits	15,866	15,644	15,496	148
Professional & Tech Services	1,000	2,603	1,697	906
Other Purchased Services	1,000	2,247	1,469	778
Supplies	0	998	997	1
Total Instruction	<u>69,881</u>	<u>73,507</u>	<u>71,674</u>	<u>1,833</u>
General Administration				
Professional & Tech Services	500	3,620	2,715	905
Other Purchased Services	1,000	2,924	2,356	568
Total General Administration	<u>1,500</u>	<u>6,544</u>	<u>5,071</u>	<u>1,473</u>
School Administration				
Professional & Tech Services	1,500	162	162	0
Total School Administration	<u>1,500</u>	<u>162</u>	<u>162</u>	<u>0</u>
Total Support Services	<u>82,871</u>	<u>89,450</u>	<u>85,524</u>	<u>3,926</u>
Total Expenditures	\$ <u>220,000</u>	\$ <u>226,265</u>	\$ <u>216,110</u>	\$ <u>10,155</u>

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-GEAR UP NM INITIATIVE-25205
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Excess (Deficiency) of Revenues Over Expenditures	\$ 79,423	\$ 79,423	\$ 4,548	\$ (74,875)
Cash Balance Beginning of Year	<u>(79,423)</u>	<u>(79,423)</u>	<u>(79,423)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (74,875)</u>	<u>\$ (74,875)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures			\$ 4,548	
Net Change in Due from Grantor			<u>(4,548)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2015

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 66,583
Total Assets	<u>\$ 66,583</u>
Liabilities	
Deposits Held for Others	\$ 66,583
Total Liabilities	<u>\$ 66,583</u>

The notes to the financial statements are an integral part of this statement.

Summary of Significant Accounting Policies

The financial statements of the Mora Independent Schools (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

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

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

Governmental Funds

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

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Debt Service Fund - The Debt Service Fund is used to account for all resources for, and the payment of, principal, interest and related costs.

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

Major Funds

The District reports the following major governmental funds:

General Fund (11000)(13000)(14000).The General Fund consist of three sub funds. The first is the Operational Fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation Fund includes a state grant to provide transportation for students in the District. The Instructional Materials Fund accounts for a state grant to provide text books for students in the District.

Special Revenue Funds

Title I (24101).To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

Gear UP NM Initiative (25205).To encourage eligible entities to provide supportive services to elementary and middle schools, and secondary school students who are at risk of dropping out of school; and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Authorization granted through Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 U.S.C. 1070a-21-1070a-28.

Capital Projects Fund

Senate Bill Nine (31700). The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements, repairs and maintenance, supplies and supply assets used in the upkeep of the facilities.

Debt Service Fund (41000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

Measurement Focus and Basis of Accounting
Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, Transportation, Food Service, Special Revenue Funds such as special education as well as others., and 3) program specific capital grants and contributions.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. 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 SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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

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

Investments

All money not immediately necessary for the public uses of the District may be invested in :

(a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

Long-Term Liabilities include bonds, pension liabilities and compensated absences that are paid for over several years. Long-Term Liabilities are included in the government wide financial statements but not in the fund financial statements. Only the current portion due within 30 days is included in the fund financial statements.

Restricted Net Position

For the government-wide statement of net position, net positions are reported as restricted when constraints placed use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance indicates that portion of fund equity is not spendable such as inventory.

The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resources providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual amount that is not restricted or committed.

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Position and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Compensated Absences

It is the School District's policy to permit employees to accumulate earned but unused vacation, which no more than 20 days will be paid to employees upon separation from the District's service. Twelve-month employees that are full time are entitled to fourteen days of paid vacation per year. Vacation days may not accrue from one year to the next without the prior approval of the superintendent, and is accrued when incurred in the government-wide financial statements.

The District's recognition and measurement criteria for compensated absences follow:

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both the following conditions are met:

- (a) The employees' right to receive compensation is attributable to services already rendered.
- (b) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

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Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

A. Deposits and Investments

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

<u>Name of Account</u>	Balance Per Bank 6/30/15	Reconciled Balance	Type
Operational	\$ 2,331,605	\$ 1,870,251	Interest
TOTAL Deposited	2,331,605	<u>1,870,251</u>	Checking
Less: FDIC Coverage	(250,000)		
Uninsured Amount	2,081,605		
50% collateral requirement	1,040,803		
Pledged securities	963,454		
Over (Under) requirement	<u>\$ (77,349)</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

The following securities are pledged at **The Southwest Capital Bank**:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FHLB	3128MDE82	\$ 364,744	5/1/2022	FHLB Dallas, TX
FHLB	31307AVT6	210,823	2/1/2028	FHLB Dallas, TX
FHLB	83162CVN0	387,887	5/1/2033	FHLB Dallas, TX
		<u>\$ 963,454</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	Bank Balance
Insured	\$ 250,000
Collateralized:	
Collateral held by the pledging bank in District's name	963,454
Uninsured and uncollateralized	1,118,151
Total Deposits	<u>\$ 2,331,605</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2015 \$1,118,151 of the District's balance of \$2,331,605 was exposed to custodial risk.

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B. Receivables

Following is a schedule of property taxes receivable as of June 30, 2015:

	General Fund	SB-9	Debt Service	Total
Property Tax				
Available	\$ 966	\$ 7,485	\$ 16,671	\$ 25,122
Unavailable and Deferred	4,450	28,605	68,307	101,362
Total Property Taxes Receivable	<u>\$ 5,416</u>	<u>\$ 36,090</u>	<u>\$ 84,978</u>	<u>\$ 126,484</u>

Amounts due from other agencies and units of government were as follows as of June 30, 2015:

	Title I 24101	Gear Up NM Initiative 25205	Other Governmental	Total
Federal Agencies	\$ 59,282	\$ 74,875	\$ 66,193	\$ 200,350
State Agencies	0		39,172	39,172
Total	<u>\$ 59,282</u>	<u>\$ 74,875</u>	<u>\$ 105,365</u>	<u>\$ 239,522</u>

C. Interfund Receivables, Payables and Transfers

Interfund balances during the year ending June 30, 2015 were as follows:

Due to General Fund from:	
Title I-24101	\$ 59,282
Gear Up NM Initiative-25206	74,875
Other Governmental Funds	99,619
Totals	<u>\$ 233,776</u>

Short term loans from the General Fund to the above funds were to cover costs during the year until the grant revenue is received. The loans will be repaid within one year.

D. Capital Assets

Capital Assets Balances and Activity for the Year Ended June 30, 2015, is as follows:

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 460,006	\$ 0	\$ 0	\$ 460,006
Total Capital Assets not being Depreciated	<u>460,006</u>	<u>0</u>	<u>0</u>	<u>460,006</u>
Capital Assets, being Depreciated				
Buildings & Improvements	16,131,241	84,957	0	16,216,198
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3,389,940	15,777	0	3,405,717
Total Capital Assets, being Depreciated	<u>19,521,181</u>	<u>100,734</u>	<u>0</u>	<u>19,621,915</u>
Total Capital Assets	<u>\$ 19,981,187</u>	<u>\$ 100,734</u>	<u>\$ 0</u>	<u>\$ 20,081,921</u>

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Less Accumulated Depreciation

Buildings & Improvements	\$	3,962,846	\$	142,034	\$	0	\$	4,104,880
Equipment, Vehicles, Information Technology Equipment, Software & Library Books		2,743,826		495,491		0		3,239,317
Total Accumulated Depreciation		<u>6,706,672</u>		<u>637,525</u>		<u>0</u>		<u>7,344,197</u>
Capital Assets, net	\$	<u>13,274,515</u>	\$	<u>(536,791)</u>	\$	<u>0</u>	\$	<u>12,737,724</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$	491,412
Support Services		
Students		17,650
Instruction		6,875
General Administration		21,379
Central Services		5,283
Operation & Maintenance of Plant		15,986
Student Transportation		62,305
Food Services Operations		16,635
Total Depreciation Expenses	\$	<u>637,525</u>

E. Long-Term Debt and Other Liabilities

A summary of activity in the Long-Term Debt is as follows:

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 1,240,000	\$ 0	\$ 310,000	\$ 930,000	\$ 165,805
Total Bonds	<u>1,240,000</u>	<u>0</u>	<u>310,000</u>	<u>930,000</u>	<u>165,805</u>
Other Liabilities					
Compensated					
Absences	33,445	21,023	23,737	30,731	30,731
Total Other Liabilities	<u>33,445</u>	<u>21,023</u>	<u>23,737</u>	<u>30,731</u>	<u>30,731</u>
Long-Term Liabilities	\$ <u>1,273,445</u>	\$ <u>21,023</u>	\$ <u>333,737</u>	\$ <u>960,731</u>	\$ <u>196,536</u>

Payments on the general obligation bonds are made by the Debt Service Funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the General Fund.

General Obligation Bonds.

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The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

<u>Series</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance</u>
2005	7/1/05	400,000	4.05%-4.25%	\$ 145,000
2006	10/15/06	1,000,000	3.5%-3.85%	0
2007	7/1/07	900,000	4%-4.25%	785,000
				\$ <u>930,000</u>

The annual requirements to amortize the General Obligation Bonds Issue as of June 30, 2015, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 130,000	\$ 35,805	\$ 165,805
2017	325,000	26,450	351,450
2018	325,000	13,044	338,044
2019	150,000	3,150	153,150
Total	\$ <u>930,000</u>	\$ <u>78,449</u>	\$ <u>1,008,449</u>

F. Commitments

The District is involved in small renovations and repairs campus wide.

G. Retirement Plan

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

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

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

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

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

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

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

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

The contribution requirements of defined benefit plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$519,026 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, the District reported a liability of \$7,328,432 for its proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the District proportion was .12844 percent, which was a decrease of .01269 percent from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$138,038. At the June 30, 2015, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ (109,172)
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	0	(666,212)
Changes in proportion and differences between the District's contributions and proportionate share of contributions	0	(591,249)
District's contributions subsequent to the measurement date	519,026	0
Total	\$ <u>519,026</u>	\$ <u>(1,366,633)</u>

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\$519,026 reported as deferred outflows of resources related to pensions resulting from District's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2016	\$ (409,748)
2017	(409,748)
2018	(380,564)
2019	<u>(166,547)</u>
Total	<u>\$ (1,366,607)</u>

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

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

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Notes to the Financial Statements
June 30, 2015

Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

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

Asset Class	2014 Long-Term Expected Real Rate of Return	2013 Long-Term Expected Real Rate of Return
Cash	1.50%	75.00%
Treasuries	2.00%	1.00%
IG Corp Credit	3.50%	3.00%
MBS	2.25%	2.50%
Core Bonds	2.53%	2.04%
TIPS	2.50%	1.50%
High Yield Bonds	4.50%	5.00%
Bank Loans	5.00%	5.00%
Global Bonds (Unhedged)	1.25%	75.00%
Global Bonds (Hedged)	1.38%	93.00%
EMD External	5.00%	4.00%
EMD Local Currency	5.75%	5.00%
Large Cap Equities	6.25%	6.75%
Small/Mid Cap	6.25%	7.00%
International Equities (Unhedged)	7.25%	7.75%
International Equities (Hedged)	7.50%	8.00%
Emerging International Equities	9.50%	9.75%
Private Equity	8.75%	9.00%
Private Debt	8.00%	8.50%
Private Real Assets	7.75%	8.00%
Real Estate	6.25%	6.00%
Commodities	5.00%	5.00%
Hedge Funds Low Vol	5.50%	4.75%
Hedge Funds Mod Vol	5.50%	6.50%

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the Districts' net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Districts' proportionate share of the net pension liability	\$ 9,971,179	\$ 7,328,434	\$ 5,121,206

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

Payables to the pension plan. Employers should disclose the amount of payables to the Plan with a description of what gave rise to the payable per GASB Statement 68, paragraphs 122 and 124.

H. Retiree Health Care

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 the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$74,751, \$70,868 and \$76,294 respectively, which equal the required contributions for each year.

I. Reconciliation of Budgetary Basis to GAAP Basis Statements

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Notes to the Financial Statements
 June 30, 2015

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

The reconciliation of budgetary basis to GAAP basis statements are located at the bottom of each budget actual.

J. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

K. Joint Powers Agreements

The Mora Independent School District is part of a joint powers agreement with the Northeast Regional Center Cooperative (NEREC). NEREC is a regional cooperative center that operates as an agency for participating school districts and provides cooperative services as its primary service.

The purpose of the agreement is to provide supplementary special education services to local education agencies utilizing federal PL 94-142 funds.

The agreement is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The financial statements for the REC were prepared by an IPA. The audit report is available at the REC located in Las Vegas, New Mexico and at www.saonm.org.

L. Subsequent Events

Subsequent events were evaluated through October 22, 2015 which is the date the financial statements were available to be issued. The superintendent resigned October 21, 2015.

M. Budget Violations

Generally accepted accounting principles require disclosures of certain information concerning individual

The following funds had budget violations as of June 30, 2015.

<u>Major Funds</u>	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Senate Bill Nine-31700				
Support Services	\$ 1,658	\$ 1,658	\$ 1,704	\$ (46)
Debt Service-41000				
Support Services	3,694	3,694	3,712	(18)

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Notes to the Financial Statements
June 30, 2015

N. Restatement

The Fund Balance for fund 31400 was restated by \$(140,161) for state funds that were not reimbursed. The fund balance for fund 28201 was restated \$(1,243) because it is federal money and should have been deferred in the prior year. The total restatement to the fund balance was \$(141,404). The Net Position was restated to remove bond issue costs and related accumulated amortization of \$(34,349) and add the Pension Liability of \$(8,392,959). The total restatement to the Net Position was \$(8,568,712).

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 165,759	\$ 165,759	\$ 170,386	\$ 4,627
State Grant	13,406	13,406	127,352	113,946
Total Revenues	<u>179,165</u>	<u>179,165</u>	<u>297,738</u>	<u>118,573</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	<u>1,658</u>	<u>1,658</u>	<u>1,704</u>	<u>(46)</u>
Total General Administration	<u>1,658</u>	<u>1,658</u>	<u>1,704</u>	<u>(46)</u>
Total Support Services	<u>1,658</u>	<u>1,658</u>	<u>1,704</u>	<u>(46)</u>
Capital Outlay				
Maintenance	100,000	198,695	117,203	81,492
Supplies	53,836	54,336	48,595	5,741
Fixed Assets	0	0	84,957	(84,957)
Supply Assets	<u>368,695</u>	<u>282,906</u>	<u>57,869</u>	<u>225,037</u>
Total Capital Outlay	<u>522,531</u>	<u>535,937</u>	<u>308,624</u>	<u>227,313</u>
Total Expenditures	<u>524,189</u>	<u>537,595</u>	<u>310,328</u>	<u>227,267</u>
Excess (Deficiency) of Revenues Over Expenditures	(345,024)	(358,430)	(12,590)	345,840
Cash Balance Beginning of Year	<u>532,534</u>	<u>532,534</u>	<u>532,534</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 187,510</u>	<u>\$ 174,104</u>	<u>\$ 519,944</u>	<u>\$ 345,840</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures			\$ (12,590)	
Net Change in Taxes Receivable			584	
Net Change in Due from Grantor			(28,023)	
Net Change in Accounts Payable			(1,128)	
Net Change in Deferred Revenue			4,483	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (36,674)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO

MORA INDEPENDENT SCHOOLS

DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 369,409	\$ 369,409	\$ 371,259	\$ 1,850
Total Revenues	<u>369,409</u>	<u>369,409</u>	<u>371,259</u>	<u>1,850</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	3,694	3,694	3,712	(18)
Total General Administration	<u>3,694</u>	<u>3,694</u>	<u>3,712</u>	<u>(18)</u>
Total Support Service	<u>3,694</u>	<u>3,694</u>	<u>3,712</u>	<u>(18)</u>
Debt Service				
Principal	507,894	507,894	310,000	197,894
Interest	0	0	48,449	(48,449)
Total Debt Service	<u>507,894</u>	<u>507,894</u>	<u>358,449</u>	<u>149,445</u>
Total Expenditures	<u>511,588</u>	<u>511,588</u>	<u>362,161</u>	<u>149,427</u>
Excess (Deficiency) of Revenues Over Expenditures	(142,179)	(142,179)	9,098	151,277
Cash Balance Beginning of Year	<u>154,539</u>	<u>154,539</u>	<u>154,539</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 12,360</u>	<u>\$ 12,360</u>	<u>\$ 163,637</u>	<u>\$ 151,277</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures			\$ 9,098	
Net Change in Taxes Receivable			(3,605)	
Net Change in Principal			(15,000)	
Net Change in Interest			2,444	
Net Change in Deferred Revenue			14,391	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 7,328</u>	

The notes to the financial statements are an integral part of this statement.

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Food Service (21000). To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

Athletics (22000). To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

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

IDEA Preschool (24109). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

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

Improving Teacher Quality (24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

Carl Perkins (24171)(24173). To account for funds distributed by the U. S. Department of Education through the State Department of Education to provide services which impact school district vocational programs, educators, and students. This fund was created by the authority of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Part B and C and Sections 115 and 116, and Workforce Investment Act, Section 503.

USDA Equipment Assistance (24183). To account for funds distributed by the U. S. Department of Agriculture to provide funds to purchase equipment needed for the preparation of meals for students. The fund was created by the authority of federal grant provisions.

Head Start (25127). To promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm-workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals. Head Start also emphasizes the significant involvement of parents in the administration of their local Head Start programs. The project is funded through the federal government, under the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Title I, Section 101-119.

NONMAJOR SPECIAL REVENUE FUNDS

Medicaid (25153). To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

Rural Education Achievement Program (25233). Part B of Title VI of the reauthorized ESEA contains Rural Education Achievement Program (REAP) initiatives that are designed to help rural districts that may lack the personnel and resources to compete effectively for Federal competitive grants and that often receive grant allocations in amounts that are too small to be effective in meeting their intended purposes.

CNM Foundation (26207). To account for revenues received to purchase supplies for the science lab. The fund was created by the authority of grant provisions.

Dual Credit (27103). To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

2012 GO Library Books (27107). To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

NM Reads to Lead (27114). To account for revenue and expenditures received from a state grant for the purpose of improving skills of young students in the area of reading. The fund was created by the authority of state grant provisions.

Kindergarten 3 Plus (27166). To account for funds received to provide the opportunity for the district to address early literacy. The full-day kindergarten program is the first step in the implementation of a sequential early literacy approach to teaching reading.

ENMU Grants (28119). To account for a grant received by the activity account, BPA. Funding was used to assist in the travel expenses to national competition. The fund was created by the authority of the grant provisions.

CYFD Child Food Program (28201). To account for federal money received from CYFD from the National School Lunch Program to provide food to the Head Start Student. The fund was created by grant provisions.

NONMAJOR CAPITAL PROJECTS FUNDS

Bond Building (31100). The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Special School Capital Outlay State (31400). To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
ASSETS			
Cash and Cash Equivalents	\$ 150,162	\$ 183	\$ 0
Receivables			
Due From Grantor	0	0	31,173
Inventory	9,101	0	0
Total Assets	<u>\$ 159,263</u>	<u>\$ 183</u>	<u>\$ 31,173</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 196	0	4,901
Interfund Balance	0	0	26,272
Total Liabilities	<u>196</u>	<u>0</u>	<u>31,173</u>
Fund Balances			
Nonspendable-Inventory	9,101	0	0
Restricted for:			
Special Revenue	149,966	183	0
Capital Projects	0	0	0
Total Fund Balances	<u>159,067</u>	<u>183</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 159,263</u>	<u>\$ 183</u>	<u>\$ 31,173</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	IDEA Preschool 24109	Fresh Fruits & Vegetables 24118	Improving Teacher Quality 24154
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	4,385	6,282
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 4,385</u>	<u>\$ 6,282</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	0	0	0
Interfund Balance	0	4,385	6,282
Total Liabilities	<u>0</u>	<u>4,385</u>	<u>6,282</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 4,385</u>	<u>\$ 6,282</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	Carl Perkins 24171	Carl Perkins Redistribution 24173	USDA Equipment Assistance 24183
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	10,470	1,018	8,761
Inventory	0	0	0
Total Assets	<u>\$ 10,470</u>	<u>\$ 1,018</u>	<u>\$ 8,761</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	0	0	0
Interfund Balance	10,470	1,018	8,761
Total Liabilities	<u>10,470</u>	<u>1,018</u>	<u>8,761</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 10,470</u>	<u>\$ 1,018</u>	<u>\$ 8,761</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	Head Start 25127	Medicaid 25153	Rural Education (REAP) 25233
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 55,458	\$ 0
Receivables			
Due From Grantor	4,104	0	0
Inventory	0	0	0
Total Assets	<u>\$ 4,104</u>	<u>\$ 55,458</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	2,440	0	0
Interfund Balance	1,664	0	0
Total Liabilities	<u>4,104</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	0	55,458	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>55,458</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 4,104</u>	<u>\$ 55,458</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	CNM Foundation 26207	Duel Credit Instructional Materials 27103	2012 GO Student Library 27107
ASSETS			
Cash and Cash Equivalents	\$ 68	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	0
Inventory	0	0	1,595
Total Assets	<u>\$ 68</u>	<u>\$ 0</u>	<u>\$ 1,595</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	0	0	0
Interfund Balance	0	0	1,595
Total Liabilities	<u>0</u>	<u>0</u>	<u>1,595</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	68	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>68</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 68</u>	<u>\$ 0</u>	<u>\$ 1,595</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund		
	NM Reads to Lead 27114	Kindergarten 3 Plus 27166	ENMU Grants 28119
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	14,692	21,685	0
Inventory	0	0	0
Total Assets	<u>\$ 14,692</u>	<u>\$ 21,685</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	0	0	0
Interfund Balance	14,692	21,685	0
Total Liabilities	<u>14,692</u>	<u>21,685</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 14,692</u>	<u>\$ 21,685</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	Special Revenue Fund	Capital Projects	
	CYFD Child Food Program 28201	Bond Building 31100	Special Capital Outlay State 31400
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 30,954	\$ 0
Receivables			
Due From Grantor	2,795	0	0
Inventory	0	0	0
Total Assets	<u>\$ 2,795</u>	<u>\$ 30,954</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	0	0	0
Interfund Balance	2,795	0	0
Total Liabilities	<u>2,795</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for:			
Special Revenue	0	0	0
Capital Projects	0	30,954	0
Total Fund Balances	<u>0</u>	<u>30,954</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 2,795</u>	<u>\$ 30,954</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2015

	<u>Total</u>
ASSETS	
Cash and Cash Equivalents	\$ 236,825
Receivables	
Due From Grantor	105,365
Inventory	10,696
Total Assets	<u>\$ 352,886</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	7,537
Interfund Balance	99,619
Total Liabilities	<u>107,156</u>
Fund Balances	
Nonspendable-Inventory	9,101
Restricted for:	
Special Revenue	205,675
Capital Projects	30,954
Total Fund Balances	<u>245,730</u>
Total Liabilities and Fund Balances	<u>\$ 352,886</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
Revenues			
Fees	\$ 7,124	\$ 30,796	\$ 0
State & Local Grants	0	0	0
Federal Grants	341,484	0	100,120
Total Revenues	<u>348,608</u>	<u>30,796</u>	<u>100,120</u>
Expenditures			
Current			
Instruction	0	34,733	58,356
Support Services			
Students	0	0	41,764
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	329,434	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>329,434</u>	<u>34,733</u>	<u>100,120</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>19,174</u>	<u>(3,937)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>19,174</u>	<u>(3,937)</u>	<u>0</u>
Fund Balances at Beginning of Year	139,893	4,120	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>139,893</u>	<u>4,120</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 159,067</u>	<u>\$ 183</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	IDEA Preschool 24109	Fresh Fruits & Vegetables 24118	Improving Teacher Quality 24154
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	2,305	10,400	24,223
Total Revenues	<u>2,305</u>	<u>10,400</u>	<u>24,223</u>
Expenditures			
Current			
Instruction	2,305	0	24,223
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	10,400	0
Capital Outlay	0	0	0
Total Expenditures	<u>2,305</u>	<u>10,400</u>	<u>24,223</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	Carl Perkins 24171	Carl Perkins Redistribution 24173	USDA Equipment Assistance 24183
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	43,353	1,626	8,761
Total Revenues	<u>43,353</u>	<u>1,626</u>	<u>8,761</u>
Expenditures			
Current			
Instruction	35,039	1,626	0
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	8,314	0	0
School Administration	0	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	8,761
Total Expenditures	<u>43,353</u>	<u>1,626</u>	<u>8,761</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	Head Start 25127	Medicaid 25153	Rural Education (REAP) 25233
Revenues			
Fees	\$ 0	\$ 34,161	\$ 0
State & Local Grants	0	0	0
Federal Grants	1,278,390		0
Total Revenues	<u>1,278,390</u>	<u>34,161</u>	<u>0</u>
Expenditures			
Current			
Instruction	594,768	0	0
Support Services			
Students	8,144	38,381	0
Instruction	496,653	0	0
General Administration	28,866	0	0
School Administration	0	0	0
Operation of Plant	110,088	0	0
Student Transportation	31,191	0	0
Food Service Operations	1,664	0	0
Capital Outlay	7,016	0	0
Total Expenditures	<u>1,278,390</u>	<u>38,381</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>(4,220)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>(4,220)</u>	<u>0</u>
Fund Balances at Beginning of Year	0	59,678	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>59,678</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 55,458</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	CNM Foundation 26207	Duel Credit Instructional Materials 27103	2012 GO Student Library 27107
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	3,589	7,873
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>3,589</u>	<u>7,873</u>
Expenditures			
Current			
Instruction	0	3,589	0
Support Services			
Students	0	0	0
Instruction	0	0	7,873
General Administration	0	0	0
School Administration	0	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>3,589</u>	<u>7,873</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	68	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>68</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 68</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special Revenue Fund		
	NM Reads to Lead 27114	Kindergarten 3 Plus 27166	ENMU Grants 28119
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	48,845	46,115	1,800
Federal Grants	0	0	0
Total Revenues	<u>48,845</u>	<u>46,115</u>	<u>1,800</u>
Expenditures			
Current			
Instruction	48,845	39,264	0
Support Services			
Students	0	0	1,800
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	6,851	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>48,845</u>	<u>46,115</u>	<u>1,800</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	Special	Capital Projects	
	Revenue		
	CYFD	Bond	Special Capital
	Child Food	Building	Outlay State
	Program	31100	31400
	28201		
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State & Local Grants	0	0	0
Federal Grants	31,914	0	0
Total Revenues	<u>31,914</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services			
Students	0	0	0
Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	31,914	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>31,914</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers	0	0	140,161
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>140,161</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>140,161</u>
Fund Balances at Beginning of Year	1,243	30,954	0
Restatement	(1,243)	0	(140,161)
Restated Beginning Fund Balance	<u>0</u>	<u>30,954</u>	<u>(140,161)</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 30,954</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

	<u>Total</u>
Revenues	
Fees	\$ 72,081
State & Local Grants	108,222
Federal Grants	1,842,576
Total Revenues	<u>2,022,879</u>
Expenditures	
Current	
Instruction	842,748
Support Services	
Students	90,089
Instruction	504,526
General Administration	37,180
School Administration	6,851
Operation of Plant	110,088
Student Transportation	31,191
Food Service Operations	373,412
Capital Outlay	15,777
Total Expenditures	<u>2,011,862</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>11,017</u>
Other Financing Sources (Uses)	
Transfers	140,161
Total Other Financing Sources (Uses)	<u>140,161</u>
Net Change in Fund Balance	<u>151,178</u>
Fund Balances at Beginning of Year	235,956
Restatement	<u>(141,404)</u>
Restated Beginning Fund Balance	<u>94,552</u>
Fund Balance End of Year	<u>\$ 245,730</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 6,000	\$ 6,000	\$ 7,124	\$ 1,124
Federal Grants	285,547	285,547	321,566	36,019
Total Revenues	<u>291,547</u>	<u>291,547</u>	<u>328,690</u>	<u>37,143</u>
Expenditures				
Food Services Operations				
Personnel Services	119,436	119,436	117,149	2,287
Employee Benefits	88,127	86,318	57,597	28,721
Professional & Tech Services	1,900	3,359	2,847	512
Purchased Property Services	6,200	6,950	6,635	315
Purchased Services	145,356	143,456	121,083	22,373
Supplies	0	1,500	1,484	16
Total Food Service Operations	<u>361,019</u>	<u>361,019</u>	<u>306,795</u>	<u>54,224</u>
Total Expenditures	<u>361,019</u>	<u>361,019</u>	<u>306,795</u>	<u>54,224</u>
Excess (Deficiency) of Revenues Over Expenditures	(69,472)	(69,472)	21,895	91,367
Cash Balance Beginning of Year	<u>128,267</u>	<u>128,267</u>	<u>128,267</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 58,795</u>	<u>\$ 58,795</u>	<u>\$ 150,162</u>	<u>\$ 91,367</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 21,895	
Net Change in Inventory			(2,834)	
Net Change in Accounts Payable			113	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 19,174</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 35,000	\$ 35,000	\$ 30,796	\$ (4,204)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>30,796</u>	<u>(4,204)</u>
Expenditures				
Instruction				
Purchased Services	26,300	20,900	18,221	2,679
Supplies	9,879	15,279	16,512	(1,233)
Total Instruction	<u>36,179</u>	<u>36,179</u>	<u>34,733</u>	<u>1,446</u>
Total Expenditures	<u>36,179</u>	<u>36,179</u>	<u>34,733</u>	<u>1,446</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,179)	(1,179)	(3,937)	(2,758)
Cash Balance Beginning of Year	<u>4,120</u>	<u>4,120</u>	<u>4,120</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,941</u>	<u>\$ 2,941</u>	<u>\$ 183</u>	<u>\$ (2,758)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,937)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3,937)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 167,849	\$ 274,104	\$ 135,775	\$ (138,329)
Total Revenues	<u>167,849</u>	<u>274,104</u>	<u>135,775</u>	<u>(138,329)</u>
Expenditures				
Instruction				
Personnel Services	30,594	41,344	39,093	2,251
Employee Benefits	13,343	14,478	13,038	1,440
Professional & Tech Services	200	16,100	552	15,548
Purchased Services	200	200	0	200
Supplies	5,773	57,773	772	57,001
Supply Assets	400	25,870	0	25,870
Total Instruction	<u>50,510</u>	<u>155,765</u>	<u>53,455</u>	<u>102,310</u>
Support Services				
Students				
Personnel Services	24,873	24,973	24,874	99
Employee Benefits	18,067	18,667	16,060	2,607
Professional & Tech Services	901	901	0	901
Purchased Services	200	500	42	458
Supplies	4,070	4,070	788	3,282
Supply Assets	2,400	2,400	0	2,400
Total Students	<u>50,511</u>	<u>51,511</u>	<u>41,764</u>	<u>9,747</u>
Total Support Services	<u>50,511</u>	<u>51,511</u>	<u>41,764</u>	<u>9,747</u>
Total Expenditures	<u>101,021</u>	<u>207,276</u>	<u>95,219</u>	<u>112,057</u>
Excess (Deficiency) of Revenues Over Expenditures	66,828	66,828	40,556	(26,272)
Cash Balance Beginning of Year	<u>(66,828)</u>	<u>(66,828)</u>	<u>(66,828)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (26,272)</u>	<u>\$ (26,272)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 40,556	
Net Change in Due from Grantor			(35,655)	
Net change in Account Payables			(4,901)	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,529	\$ 12,598	\$ 2,378	\$ (10,220)
Total Revenues	<u>5,529</u>	<u>12,598</u>	<u>2,378</u>	<u>(10,220)</u>
Expenditures				
Instruction				
Personnel Services	1,996	1,996	1,855	141
Employee Benefits	731	1,850	449	1,401
Professional & Tech Services	0	950	0	950
Supplies	0	2,500	0	2,500
Supply Assets	0	2,500	0	2,500
Total Instruction	<u>2,727</u>	<u>9,796</u>	<u>2,304</u>	<u>7,492</u>
Support Services				
Students	1,996	1,996	0	1,996
Supplies	732	732	0	732
Total Students	<u>2,728</u>	<u>2,728</u>	<u>0</u>	<u>2,728</u>
Total Support Services	<u>2,728</u>	<u>2,728</u>	<u>0</u>	<u>2,728</u>
Total Expenditures	<u>5,455</u>	<u>12,524</u>	<u>2,304</u>	<u>10,220</u>
Excess (Deficiency) of Revenues Over Expenditures	74	74	74	0
Cash Balance Beginning of Year	<u>(74)</u>	<u>(74)</u>	<u>(74)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 74	
Net Change in Due from Grantor			<u>(74)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-FRESH FRUITS & VEGTABLES-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 10,693	\$ 6,015	\$ (4,678)
Total Revenues	<u>0</u>	<u>10,693</u>	<u>6,015</u>	<u>(4,678)</u>
Expenditures				
Instruction				
Supplies	0	10,693	10,400	293
Total Instruction	<u>0</u>	<u>10,693</u>	<u>10,400</u>	<u>293</u>
Total Expenditures	<u>0</u>	<u>10,693</u>	<u>10,400</u>	<u>293</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(4,385)	(4,385)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,385)</u>	<u>\$ (4,385)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (4,385)	
Net Change in Deferred Revenue			<u>4,385</u>	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-IMPROVING TEACHER QUALITY-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 56,737	\$ 90,365	\$ 52,222	\$ (38,143)
Total Revenues	<u>56,737</u>	<u>90,365</u>	<u>52,222</u>	<u>(38,143)</u>
Expenditures				
Instruction				
Personnel Services	16,867	16,867	16,000	867
Employee Benefits	3,974	5,712	5,393	319
Professional & Tech Services	1,824	33,714	3,039	30,675
Total Instruction	<u>22,665</u>	<u>56,293</u>	<u>24,432</u>	<u>31,861</u>
Total Expenditures	<u>22,665</u>	<u>56,293</u>	<u>24,432</u>	<u>31,861</u>
Excess (Deficiency) of Revenues Over Expenditures	34,072	34,072	27,790	(6,282)
Cash Balance Beginning of Year	<u>(34,072)</u>	<u>(34,072)</u>	<u>(34,072)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (6,282)</u>	<u>\$ (6,282)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 27,790	
Net Change in Due from Grantor			(27,998)	
Net Change in Account Payables			208	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS-24171
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 53,136	\$ 56,510	\$ 46,035	\$ (10,475)
Total Revenues	<u>53,136</u>	<u>56,510</u>	<u>46,035</u>	<u>(10,475)</u>
Expenditures				
Instruction				
Personnel Services	24,887	27,846	27,845	1
Employee Benefits	<u>6,783</u>	<u>7,198</u>	<u>7,194</u>	<u>4</u>
Total Instruction	<u>31,670</u>	<u>35,044</u>	<u>35,039</u>	<u>5</u>
Support Services				
General Administration				
Professional & Tech Services	966	966	966	0
Purchased Services	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>0</u>
Total General Administration	<u>8,466</u>	<u>8,466</u>	<u>8,466</u>	<u>0</u>
Total Support Services	<u>8,466</u>	<u>8,466</u>	<u>8,466</u>	<u>0</u>
Total Expenditures	<u>40,136</u>	<u>43,510</u>	<u>43,505</u>	<u>5</u>
Excess (Deficiency) of Revenues Over Expenditures	13,000	13,000	2,530	(10,470)
Cash Balance Beginning of Year	<u>(13,000)</u>	<u>(13,000)</u>	<u>(13,000)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,470)</u>	<u>\$ (10,470)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,530	
Net Change in Due from Grantor			(2,682)	
Net Change in Account Payables			<u>152</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-CARL PERKINS REDISTRIBUTION-24173
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 2,082	\$ 0	\$ (2,082)
Total Revenues	<u>0</u>	<u>2,082</u>	<u>0</u>	<u>(2,082)</u>
Expenditures				
Instruction				
Purchased Services	0	1,532	797	735
Supplies	0	550	221	329
Total Instruction	<u>0</u>	<u>2,082</u>	<u>1,018</u>	<u>1,064</u>
Total Expenditures	<u>0</u>	<u>2,082</u>	<u>1,018</u>	<u>1,064</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,018)	(1,018)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,018)</u>	<u>\$ (1,018)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (1,018)	
Net Change in Due from Grantor			1,626	
Net change in Account Payables			(608)	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-USDA EQUIPMENT ASSISTANCE-24183
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 8,761	\$ 8,761	\$ 0	\$ (8,761)
Total Revenues	<u>8,761</u>	<u>8,761</u>	<u>0</u>	<u>(8,761)</u>
Expenditures				
Food Services Operations				
Fixed Assets	8,761	8,761	8,761	0
Total Food Services Operations	<u>8,761</u>	<u>8,761</u>	<u>8,761</u>	<u>0</u>
Total Expenditures	<u>8,761</u>	<u>8,761</u>	<u>8,761</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>(8,761)</u>	<u>(8,761)</u>
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (8,761)</u>	<u>\$ (8,761)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (8,761)	
Net Change in Due from Grantor			<u>8,761</u>	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-HEAD START-25127
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 25,058	\$ 2,036,487	\$ 1,293,702	\$ (742,785)
Total Revenues	<u>25,058</u>	<u>2,036,487</u>	<u>1,293,702</u>	<u>(742,785)</u>
Expenditures				
Instruction				
Personnel Services	0	495,522	395,645	99,877
Employee Benefits	0	182,361	142,316	40,045
Professional & Tech Services	0	24,525	5,012	19,513
Purchased Services	0	23,719	10,274	13,445
Supplies	8,913	54,543	19,300	35,243
Fixed Assets	0	0	7,016	(7,016)
Supply Assets	0	39,236	22,220	17,016
Total Instruction	<u>8,913</u>	<u>819,906</u>	<u>601,783</u>	<u>218,123</u>
Support Services				
Students				
Professional & Tech Services	0	12,826	7,493	5,333
Purchased Services	0	10,929	652	10,277
Supplies	0	900	0	900
Total Students	<u>0</u>	<u>24,655</u>	<u>8,145</u>	<u>16,510</u>
Instruction				
Personnel Services	0	447,461	306,549	140,912
Employee Benefits	0	151,875	105,189	46,686
Professional & Tech Services	0	23,686	12,229	11,457
Purchased Services	0	24,833	11,197	13,636
Supplies	0	55,219	36,418	18,801
Supply Assets	0	33,146	25,146	8,000
Total Instruction	<u>0</u>	<u>736,220</u>	<u>496,728</u>	<u>239,492</u>
General Administration				
Professional & Tech Services	0	81,180	28,383	52,797
Purchased Property Services	0	732	482	250
Supplies	0	200	0	200
Total General Administration	<u>0</u>	<u>82,112</u>	<u>28,865</u>	<u>53,247</u>
Operation of Plant				
Personnel Services	0	31,394	21,497	9,897
Employee Benefits	0	9,133	6,538	2,595
Professional & Tech Services	0	5,959	0	5,959
Purchased Property Services	0	172,338	49,548	122,790
Purchased Services	0	6,001	6,001	0
Supplies	0	55,754	26,794	28,960
Supply Assets	0	5,808	808	5,000
Total Operation of Plant	<u>\$ 0</u>	<u>\$ 286,387</u>	<u>\$ 111,186</u>	<u>\$ 175,201</u>

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-HEAD START-25127
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Student Transportation				
Purchased Services	\$ 0	\$ 48,140	\$ 31,191	\$ 16,949
Supplies	0	800	0	800
Total Student Transportation	<u>0</u>	<u>48,940</u>	<u>31,191</u>	<u>17,749</u>
Total Support Services	<u>0</u>	<u>1,178,314</u>	<u>676,115</u>	<u>502,199</u>
Food Service				
Supplies	0	16,122	1,323	14,799
Total Food Service	<u>0</u>	<u>16,122</u>	<u>1,323</u>	<u>14,799</u>
Capital Outlay				
Fixed Assets	0	6,000	0	6,000
Total Food Service	<u>0</u>	<u>6,000</u>	<u>0</u>	<u>6,000</u>
Total Expenditures	<u>8,913</u>	<u>2,020,342</u>	<u>1,279,221</u>	<u>741,121</u>
Excess (Deficiency) of Revenues Over Expenditures	16,145	16,145	14,481	(1,664)
Cash Balance Beginning of Year	\$ <u>(16,145)</u>	\$ <u>(16,145)</u>	\$ <u>(16,145)</u>	\$ <u>0</u>
Cash Balance End of Year	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>(1,664)</u></u>	\$ <u><u>(1,664)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 14,481	
Net Change in Due from Grantor			(15,312)	
Net Change in Accounts Payable			831	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u><u>0</u></u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 54,358	\$ 54,358	\$ 34,161	\$ (20,197)
Total Revenues	<u>54,358</u>	<u>54,358</u>	<u>34,161</u>	<u>(20,197)</u>
Expenditures				
Support Services				
Students				
Personnel Services	52,028	52,028	26,790	25,238
Employee Benefits	28,686	28,686	10,343	18,343
Purchased Services	100	100	1,280	(1,180)
Supplies	124	124	0	124
Total Support Services	<u>80,938</u>	<u>80,938</u>	<u>38,413</u>	<u>42,525</u>
Total Expenditures	<u>80,938</u>	<u>80,938</u>	<u>38,413</u>	<u>42,525</u>
Excess (Deficiency) of Revenues Over Expenditures	(26,580)	(26,580)	(4,252)	22,328
Cash Balance Beginning of Year	<u>59,710</u>	<u>59,710</u>	<u>59,710</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 33,130</u>	<u>\$ 33,130</u>	<u>\$ 55,458</u>	<u>\$ 22,328</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,252)	
Net Change in Accounts Payable			32	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,220)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-RURAL EDUCATION (REAP)-25233
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 300	\$ 8,737	\$ 0	\$ (8,737)
Total Revenues	<u>300</u>	<u>8,737</u>	<u>0</u>	<u>(8,737)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	3,000	0	3,000
Purchased Services	0	1,000	0	1,000
Supplies	0	2,980	0	2,980
Supply Assets	0	1,000	0	1,000
Total Instruction	<u>0</u>	<u>7,980</u>	<u>0</u>	<u>7,980</u>
Support Services				
General Administration				
Professional & Tech Services	0	457	0	457
Total General Administration	<u>0</u>	<u>457</u>	<u>0</u>	<u>457</u>
Total Support Services	<u>0</u>	<u>457</u>	<u>0</u>	<u>457</u>
Total Expenditures	<u>0</u>	<u>8,437</u>	<u>0</u>	<u>8,437</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>300</u>	<u>300</u>	<u>0</u>	<u>(300)</u>
Other Financing Sources (Uses)				
Transfers	0	0	300	300
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>300</u>	<u>300</u>
Net Change in Fund Balance	300	300	300	0
Cash Balance Beginning of Year	<u>(300)</u>	<u>(300)</u>	<u>(300)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 300	
Net change in Due from Grantor			<u>(300)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-CNM FOUNDATION-26207
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	68	68	0	68
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>68</u>	<u>68</u>	<u>0</u>	<u>68</u>
Total Expenditures	<u>68</u>	<u>68</u>	<u>0</u>	<u>68</u>
Excess (Deficiency) of Revenues Over Expenditures	(68)	(68)	0	68
Cash Balance Beginning of Year	<u>68</u>	<u>68</u>	<u>68</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 68</u>	<u>\$ 68</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-DUAL CREDIT INSTRUCTIONAL MATERIALS-27103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 1,733	\$ 5,729	\$ 5,322	\$ (407)
Total Revenues	<u>1,733</u>	<u>5,729</u>	<u>5,322</u>	<u>(407)</u>
Expenditures				
Instruction				
Supplies	0	3,996	3,589	407
Total Instruction	<u>0</u>	<u>3,996</u>	<u>3,589</u>	<u>407</u>
Total Expenditures	<u>0</u>	<u>3,996</u>	<u>3,589</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,733	1,733	1,733	0
Cash Balance Beginning of Year	<u>(1,733)</u>	<u>(1,733)</u>	<u>(1,733)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 1,733	
Net Change in Due from Grantor			<u>(1,733)</u>	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-2012 GO STUDENT LIBRARY-27107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 12,612	\$ 12,612	\$ 11,017	\$ (1,595)
Total Revenues	<u>12,612</u>	<u>12,612</u>	<u>11,017</u>	<u>(1,595)</u>
Expenditures				
Support Services				
Instruction				
Supplies	7,873	7,873	7,873	0
Total Instruction	<u>7,873</u>	<u>7,873</u>	<u>7,873</u>	<u>0</u>
Total Support Services	<u>7,873</u>	<u>7,873</u>	<u>7,873</u>	<u>0</u>
Total Expenditures	<u>7,873</u>	<u>7,873</u>	<u>7,873</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	4,739	4,739	3,144	(1,595)
Cash Balance Beginning of Year	<u>(4,739)</u>	<u>(4,739)</u>	<u>(4,739)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,595)</u>	<u>\$ (1,595)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,144	
Net change in Due from Grantor			<u>(3,144)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-NM READS TO LEAD-27114
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 60,905	\$ 60,905	\$ 45,840	\$ (15,065)
Total Revenues	<u>60,905</u>	<u>60,905</u>	<u>45,840</u>	<u>(15,065)</u>
Expenditures				
Instruction				
Personnel Services	29,476	29,493	29,492	1
Employee Benefits	12,747	12,749	12,378	371
Professional & Tech Services	1,000	401	401	0
Supplies	<u>4,277</u>	<u>7,357</u>	<u>7,356</u>	<u>1</u>
Total Instruction	<u>47,500</u>	<u>50,000</u>	<u>49,627</u>	<u>373</u>
Support Services				
General Administration				
Professional & Tech Services	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total General Administration	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services	<u>2,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,627</u>	<u>373</u>
Excess (Deficiency) of Revenues Over Expenditures	10,905	10,905	(3,787)	(14,692)
Cash Balance Beginning of Year	<u>(10,905)</u>	<u>(10,905)</u>	<u>(10,905)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (14,692)</u>	<u>\$ (14,692)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,787)	
Net Change in Due from Grantor			3,005	
Net Change in Accounts Payable			<u>782</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-KINDERGARTEN 3 PLUS-27166
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 47,687	\$ 79,083	\$ 50,777	\$ (28,306)
Total Revenues	<u>47,687</u>	<u>79,083</u>	<u>50,777</u>	<u>(28,306)</u>
Expenditures				
Instruction				
Personnel Services	13,480	28,722	30,588	(1,866)
Employee Benefits	3,316	6,775	7,198	(423)
Purchased Services	548	568	131	437
Supplies	0	4,397	0	4,397
Supply Assets	0	3,090	3,090	0
Total Instruction	<u>17,344</u>	<u>43,552</u>	<u>41,007</u>	<u>2,545</u>
Support Services				
School Administration				
Personnel Services	4,672	8,889	5,541	3,348
Employee Benefits	1,067	2,038	1,310	728
Total School Administration	<u>5,739</u>	<u>10,927</u>	<u>6,851</u>	<u>4,076</u>
Total Support Services	<u>5,739</u>	<u>10,927</u>	<u>6,851</u>	<u>4,076</u>
Total Expenditures	<u>23,083</u>	<u>54,479</u>	<u>47,858</u>	<u>6,621</u>
Excess (Deficiency) of Revenues Over Expenditures	24,604	24,604	2,919	(21,685)
Cash Balance Beginning of Year	<u>(24,604)</u>	<u>(24,604)</u>	<u>(24,604)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (21,685)</u>	<u>\$ (21,685)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 2,919	
Net Change in Due from Grantor			(4,662)	
Net Change in Accounts Payable			1,743	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-ENMU GRANTS-28119
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 0	\$ 1,800	\$ 1,800	\$ 0
Total Revenues	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Expenditures				
Support Services				
Students				
Purchased Services	0	1,800	1,800	0
Total Food Service Operations	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-CYFD CHILD FOOD PROGRAM-28201
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 32,068	\$ 27,876	\$ (4,192)
Total Revenues	<u>0</u>	<u>32,068</u>	<u>27,876</u>	<u>(4,192)</u>
Expenditures				
Food Service Operations				
Supplies	0	32,068	31,914	154
Total Food Service Operations	<u>0</u>	<u>32,068</u>	<u>31,914</u>	<u>154</u>
Total Expenditures	<u>0</u>	<u>32,068</u>	<u>31,914</u>	<u>154</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(4,038)	(4,038)
Cash Balance Beginning of Year	<u>1,243</u>	<u>1,243</u>	<u>1,243</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,243</u>	<u>\$ 1,243</u>	<u>\$ (2,795)</u>	<u>\$ (4,038)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,038)	
Net Change in Due from Grantor			2,795	
Net Change in Deferred Revenue			<u>1,243</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
SPECIAL REVENUE FUND-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Purchased Services	10,000	10,000	0	10,000
Fixed Assets	20,954	20,954	0	20,954
Total Capital Outlay	<u>30,954</u>	<u>30,954</u>	<u>0</u>	<u>30,954</u>
Total Expenditures	<u>30,954</u>	<u>30,954</u>	<u>0</u>	<u>30,954</u>
Excess (Deficiency) of Revenues Over Expenditures	(30,954)	(30,954)	0	30,954
Cash Balance Beginning of Year	<u>30,954</u>	<u>30,954</u>	<u>30,954</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 30,954</u>	<u>\$ 30,954</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 CAPITAL PROJECTS FUND-SPECIAL SCHOOL CAPITAL OUTLAY-STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Fixed Assets	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfers	0	0	140,161	140,161
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>140,161</u>	<u>140,161</u>
Net Change in Fund Balance	0	0	140,161	140,161
Cash Balance Beginning of Year	<u>(140,161)</u>	<u>(140,161)</u>	<u>(140,161)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (140,161)</u>	<u>\$ (140,161)</u>	<u>\$ 0</u>	<u>\$ 140,161</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures			\$ 0	
Net Change in Due from Grantor			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

REQUIRED SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Schedules of Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	<u>2015</u>
District's proportion of the net pension liability	0.12844%
District's proportionate share of the net pension liability	\$ 7,328,434
District's covered-employee payroll	\$ 3,540,402
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.31%
Plan fiduciary net position as a percentage of the total pension liability	66.54%

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

Schedule of District's Contributions

Last 10 Fiscal Years*

	<u>2015</u>
Contractually required contribution	\$ 519,026
Contributions in relation to the contractually required contribution	\$ 519,026
Contribution deficiency (excess)	0
District's covered-employee payroll	\$ 3,540,402
Contributions as a percentage of covered-employee payroll	14.66%

* These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the REC will present information for those years for which information is available.

The notes to the financial statements are an integral part of this statement.

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

Changes of assumptions.

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on April 26, 2013, ERB implemented the following changes in assumptions for fiscal years 2014 and 2013.

1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:

- a. Lower wage inflation from 4.75% to 4.25%
- b. Lower payroll growth from 3.75% to 3.50%
- c. Minor changes to demographic assumptions
- d. Population growth per year from 0.75% to 0.50%

2. Assumptions that were not changed:

- a. Investment return will remain at 7.75%
- b. Inflation will remain at 3.00%

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

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2015

	Balance 6/30/14	Additions	Deletions	Balance 6/30/15
ASSETS				
Cheerleaders	610	0	0	610
National Honor Society	302	346	330	318
High School General	3,344	2,710	2,026	4,028
MESA	1,747	485	338	1,894
BPA	2,555	28,658	28,128	3,085
Scholarships	1,361	0	0	1,361
Student Council	89	24	0	113
Yearbook	2,241	700	736	2,205
Memorial Wall	60	0	0	60
Band	1,577	4	0	1,581
Girls Volleyball	3,363	0	0	3,363
Class of 2014	1,012	0	0	1,012
Peer Educators	508	24	359	173
Swimming Pool	3,868	0	0	3,868
Cross Country	123	0	0	123
Alumni Scholarship	705	0	0	705
21st Community Activity	2,828	0	0	2,828
Class of 2016	670	19,507	10,721	9,456
JAG Activity	269	4,273	4,176	366
Girls Basketball Camp	1,315	0	200	1,115
Boys Basketball Camp	475	0	0	475
Class of 2018	0	360	0	360
Basketball District 2AA	198	0	198	0
DARE Program	95	0	0	95
Future Educators of America	80	0	0	80
Class of 2015	6,059	0	6,059	0
Prevention Activities	2,593	0	0	2,593
Class of 2012	1,005	0	0	1,005
FFA	2,610	0	0	2,610
Elementary General	5,208	6,947	11,898	257
CASSM	255	1,164	144	1,275
Middle School Student Council	2,391	0	100	2,291
District 5-AA	0	9,921	8,983	938
District 2-AA	0	198	0	198
Middle School MESA	932	250	484	698
Elementary Library	128	120	101	147
Elementary Yearbook	210	853	0	1,063
Cafeteria Activity	951	0	240	711
Middle School Yearbook	709	84	0	793
Class of 2017	355	2,825	1,030	2,150
7th/ 8th Boys Basketball	127	0	0	127
Head Start Activity	2,658	837	1,752	1,743
Health Club	658	0	0	658
Class of 2009	203	0	0	203
7th/8th Girls Volleyball	\$ 12	\$ 0	\$ 0	\$ 12

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2015

	Balance 6/30/14	Additions	Deletions	Balance 6/30/15
Elementary Student Council	\$ 177	\$ 36	\$ 139	\$ 74
Middle School Football	1,216	0	0	1,216
Middle School No Referral	5,228	0	135	5,093
Middle School Science Lab	505	0	0	505
7th/8th Girls Basketball	355	0	0	355
MARIACHI	2,375	378	2,160	593
Total Assets	<u>\$ 66,316</u>	<u>\$ 80,704</u>	<u>\$ 80,437</u>	<u>\$ 66,583</u>
LIABILITIES				
Deposits Held for Others	\$ 66,316	\$ 80,704	\$ 80,437	\$ 66,583
Total Liabilities	<u>\$ 66,316</u>	<u>\$ 80,704</u>	<u>\$ 80,437</u>	<u>\$ 66,583</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 CASH RECONCILIATION-ALL FUNDS
 For the Year Ended June 30, 2015

		Beginning Cash 6/30/14	Revenue	Expenditures	Adjustments/ Transfer/ Loans	Ending Cash 6/30/15
Operational	11000	\$ 878,510	\$ 4,714,586	\$ 4,426,792	\$ (140,161)	\$ 1,026,143
Transportation	13000	22,533	415,962	371,973	0	66,522
Instructional Materials	14000	6,223	31,375	13,224	0	24,374
Food Service	21000	128,267	328,690	306,794	0	150,163
Athletics	22000	4,120	30,795	34,733	0	182
Federal Flowthrough	24000	(157,017)	421,133	380,587	0	(116,471)
Federal Direct	25000	(36,160)	1,548,521	1,533,442	0	(21,081)
Local Grants	26000	68	0	0	0	68
State Flowthrough	27000	(41,982)	112,958	108,947	0	(37,971)
State Directed	28000	1,243	29,676	33,714	0	(2,795)
Bond Building	31100	30,954	0	0	0	30,954
Special CO State	31400	(140,161)	0	0	140,161	0
SB 9	31700	532,534	297,738	310,327	0	519,945
Debt Service	41000	154,539	371,259	362,161	0	163,637
Activities	23000	66,316	80,704	80,438	0	66,582
Total		<u>\$ 1,449,987</u>	<u>\$ 8,383,397</u>	<u>\$ 7,963,132</u>	<u>\$ 0</u>	<u>\$ 1,870,252</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
VENDOR SCHEDULE
For the Year Ended June 30, 2015

Bid or Quote Number: N/A
Contract Amount: 1.259/g fixed, \$65.00/hr service, and 25% discount on parts
Contracting Vendor: Northern NM Gas Company
PO Box 144
Angel Fire NM 87710
Preference: No
Scope of the work: Provide Propane and service gas lines and equipment.

Other Vendors responding to the bid or quote:

Cortez Gas
310 S. Grand Ave.
Las Vegas, NM 87701

Ferrellgas
209 S. Grand Ave.
Las Vegas, NM 87701

Bid or Quote Number: N/A
Contract Amount: Not to exceed \$85,000/\$70 per hour
Contracting Vendor: Consuelo Cruz
PO Box 94
Holman, NM 87723
Preference: No
Scope of the work: Speech Language Pathologist. Provides ancillary services to students with needs.

Other Vendors responding to the bid or quote:

None

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2015

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department:			
School Breakfast Program	10.553	21000	\$ 85,458
National School Lunch Program	10.555	21000	225,287
USDA Equipment Assistance	10.555	24183	8,761
			<u>319,506</u>
Fresh Fruit and Vegetable Program	10.582	24118	10,400
Pass-through State Department of Human Services:			
Supplemental Nutrition Assistance Program	10.551	21000	(1) 19,918
Pass-through Children, Youth, and Families Department			
Child and Adult Care Food Program	10.558	28201	31,914
Summer Food Service Program for Children	10.559	21000	10,821
Direct Program			
Rural Development, Forestry, and Communities	10.672	11000	45,632
Total U. S. Department of Agriculture			<u>438,191</u>
<u>U. S. Department of Education</u>			
Pass-through State Public Education Department:			
Special Education Cluster			
IDEA B, Entitlement	84.027	24106	100,120
IDEA Preschool	84.173	24109	2,305
			<u>102,425</u>
Pass-through State Public Education Department:			
Title I	84.010	24101	191,548
Improving Teacher Quality	84.367	24154	24,223
Carl Perkins	84.048	24171	43,353
Carl Perkins	84.048	24173	1,626
Pass-through Department of Higher Education:			
Gear Up NM Incentive	84.334	25205	216,110
Total U. S. Department of Education			<u>579,285</u>
<u>U. S. Department of Health and Human Services</u>			
Direct Program			
Head Start	93.600	25127	1,278,390
Total Federal Assistance			\$ <u>2,295,866</u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO

MORA INDEPENDENT SCHOOLS

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2015

Note 1: Significant Accounting Policies used in preparing the Schedule of Expenditure of Federal Awards

The modified accrual basis was used to prepare the Schedule of Expenditures of Federal Awards

Note 2: Insurance Requirements

There are no insurance requirements on the federal awards disclosed on the Schedule of Expenditures of Federal Awards

Note 3: Loans or Loan Guarantees

There were no loans or loan guarantees outstanding at year end.

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Mora Independent Schools

Mr. Keller and Members of the Board

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

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies. 2013-004, 2014-008, 2015-001, 2015-002, 2015-003, 2015-005, 2015-006

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 an instance 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 item 2013-004, 2014-008, 2015-001, 2015-002, 2015-003, 2015-004, 2015-005, 2015-006

District's Responses to Findings

The District's responses to the findings identified in our audit as described in the accompanying Schedule of Findings and Questioned Cost. 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 results 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.

De'Ann Willoughby CPA PC

Clovis, New Mexico
October 5, 2015

Report on Compliance With Requirements
Applicable To Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133

Independent Auditor's Report

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of the Mora Independent Schools

Mr. Keller and Members of the Board

Compliance

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

De'Aun Willoughby CPA PC

Clovis, New Mexico
October 5, 2015

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2015

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting

* Material weaknesses identified? No

* Significant deficiencies identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

* Material weaknesses identified? No

* Significant deficiencies identified? No

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 No

Identification of major programs:

<u>CFDA Numbers)</u>	<u>Name of Federal Program of Cluster</u>
10.553	School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Audited qualified as low risk Auditee Yes

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2015

Federal Compliance Findings

Prior Year Audit Findings	<u>Status</u>
2014-001 Data Collection Form	Resolved

Current Year Audit Findings
 None

Financial Statements Findings

Prior Year Audit Findings	<u>Status</u>
2013-004 Expenditure Issues	Repeated & Modified
2013-007 Cash Security	Resolved
2014-002 Cash Appropriations in Excess of Available Cash Balances	Resolved
2014-003 Reporting of ERB Wages	Resolved
2014-004 State Unemployment	Resolved
2014-005 I-9s-Compliance and Internal Control	Resolved
2014-006 New Hire Reporting	Resolved
2014-007 Segregation of Duties	Resolved
2014-008 Receipt Books	Repeated & Modified
2014-009 Request for Grant Expenditures	Resolved
2014-010 PED Cash	Resolved

Current Year Audit Findings

2013-004 Expenditure Issues-Compliance and Internal Control-Significant Deficiency Condition

Out of 234 expenditures sampled we note:

- 1) 6 PO's totaling \$37,924.32 were issued after the purchase.
- 2) 1 expenditure was for a late fee of \$500.00.

Management has made progress in correcting the above issues from the prior year.

Criteria

6.20.2.17 Purchasing: Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq, NMSA 1978.

Cause

The maintenance department failed to obtain a purchase order before purchases were made.

Effect

Without proper documentation and following the procurement act, there are not adequate controls over expenditures. Results could be over spending.

Recommendation

Personnel should be trained in the procurement process and there should be consequences for failing to follow the process.

Response

Training is being provided to employees. Employees will be held responsible for liabilities arising from the violations. The procurement officer expects this finding to be resolved before the fiscal year ends.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

2014-008 Receipt Books-Compliance and Internal Control-Significant Deficiency

Condition

No receipts were given to employees when reimbursing the District for over payment of the 80% per diem advance.

Management has made progress in correcting the above issues from the prior year.

Criteria

6-5-2 NMSA Internal Accounting Controls: Internal controls and procedures should be in writing and followed allowing documentation for the responsible party.

Cause

Management was not aware a receipt should be given to the initial person paying the money.

Effect

Cash could be misappropriated without documentation or evidence that is provided by receipts and adequate internal controls.

Recommendation

Receipts should be issued to all who handle money to provide an audit trail and place responsibility on those who handle money.

Response

Three part receipt books have been ordered and employees will receive additional training/guidance. Receipts will be issued every time money changes hands. Monies received by district staff will be accounted for. The CFO expects to resolve this finding before the fiscal year ends.

2015-001 Pledged Securities-Compliance and Internal Control-Significant Deficiency

Condition

Southwest Capital's pledged securities were under pledged by \$77,348.52

Criteria

Pursuant to Section 6-10-16, NMSA 1978 and Section 6-10-17, NMSA 1978 securities with an aggregate value equal to one-half the amount of public money deposited shall be provided by the depository.

Cause

Southwest Capital did not maintain the necessary securities as collateral for deposits of public money. Management did not follow up on the shortage and request more collateral.

Effect

Under collateralization results in lack of guarantee of 50% of the District's money in case of institutional failure.

Recommendation

We recommend that the District communicate with the bank and discuss the importance of having the adequate amount of pledged securities. If the bank is unwilling or unable to increase the pledges then we recommend that the District deposits the excess funds with another local bank.

Response

We will monitor more closely and request more collateral when necessary. Currently the District has received additional collateral from our banking institution.

MORA INDEPENDENT SCHOOLS

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2015

2015-002 Checks that are actual ACH debits are not be disposed of correctly-Compliance and Internal Control-Significant Deficiency

Condition

We noted that checks were printed through the software program for payment, however ACH debits were sent for 941 tax payments and ERB payments. The checks were left in folders not voided. The 941 tax payments were made out to the bank and could have been negotiated.

Criteria

NMAC 6.20.2.11: Establishing and maintaining sound basic accounting practices in performance of duties and functions.

Cause

The District was printing checks to said vendors in the condition paragraph and then having the money electronically withdrawn from the bank account. The checks were filed without voiding them. Management did not think it necessary to void the checks.

Effect

Someone could obtain the checks, alter them and try to negotiate them.

Recommendation

We recommend that the District tear the signatures from the checks and write void across the face of the checks.

Response

We will void and deface the checks.

2015-003 Payroll-Compliance and Internal Control-Significant Deficiency

Condition

Out of 16 personnel files sampled we noted:

- 1) One addendum or contract could not be located for additional duties making an employee appear as though she was overpaid by \$13,362.12.
- 2) One W-4 could not be located.
- 3) One transcript in the personnel file was not an official transcript. The GPA after the undergraduate degree was 2.66 and the GPA after the masters degree was 3.98 which is mathematically impossible.
- 4) One background check could not be located. Documentation provided indicated the employee was hired before the background check was cleared. The background check went missing because personnel files are not secured with limited access.

Criteria

NMAC 6.20.2.18 states the local board shall establish written policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP.

Cause

Stress caused by a change in administration along with management over ride contributed to the errors listed in the condition.

Effect

Contracts are the legal basis for compensation to an employee. Without documentation, the amount of pay could be disputed by the employee causing the District additional funds and legal fees. Employees may not be legally able to hold their employment position without proof of degrees and background checks. Personnel files contain sensitive information and the cause for missing documents.

Recommendation

Training, review and supervision could have mitigated the errors.

Response

We will provide training, review and supervise in the preparation of contracts. Any missing W-4s will be updated. We will accept only official transcripts. An employee will not be hired without first receiving a clear background check. Personnel files are now in a locked and secure area.

2015-004 Violation of the Nepotism Law-Compliance-Significant Deficiency

Condition

The elementary principal was hired in July, 2015 and is the son-in-law of a board member. An employee was hired September, 2015 and is the son-in-law of the board secretary.

Criteria

NMSA 1978 22-5-6. A local superintendent shall not initially employ or approve the initial employment in any capacity of a person who is the spouse, father, father-in-law, mother, mother-in-law, son, son-in-law, daughter, daughter-in-law, brother, brother-in-law, sister or sister-in-law of a member of the local school board or the local superintendent. The local school board may waive the nepotism rule for family members of a local superintendent. B. Nothing in this section shall prohibit the continued employment of a person employed on or before July 1, 2008. History: 1953 Comp., § 77-4-3.1, enacted by Laws 1971, ch. 199, § 1; 1981, ch. 86, § 1; 2003, ch. 153, § 22; 2009, ch. 195, § 1.

Cause

It was documented that hiring the son-in-law's of the board members was a violation of the nepotism law but management hired the employees anyway.

Effect

The hiring of the son-in-law's is a direct violation of NMSA 178 22-5-6.

Recommendation

The board members should step down from the board or the son-in-law's should resign their employment from the District.

Response

The superintendent who gave the directive to hire the employees was placed on administrative leave pending the investigation of other matters.

2015-005 Certification of Inventory-Compliance and Internal Control-Significant Deficiency

Condition

The District did not certify the inventory for the fiscal year ended June 30, 2015.

Criteria

Section 12-6-10(A) 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.

Effect

Items that cost less than \$5,000 could be misappropriated intentionally or not intentionally. Without taking inventory and certifying it, it is not known if all inventory has been accounted for. Replacing items cost the District funds that could be spent on educating the students.

Cause

Management was not aware inventory had to be certified.

Recommendation

We recommend a physical inventory be taken annually and certified as to its correctness. The certification should be made available to the auditors.

Response

We do conduct an annual inventory but have not certified it. We will certify the inventory in the future.

STATE OF NEW MEXICO
MORA INDEPENDENT SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2015

2015-006 Budget Violations-Compliance and Internal Control-Significant Deficiency

Condition

The District has maintained expenditures at the function level in which actual expenditures exceeded budgetary authority in the following funds:

	Budget			Over Budget
	Original	Final	Actual	
<u>Major Funds</u>				
Senate Bill Nine-31700				
Support Services	\$ 1,658	\$ 1,658	\$ 1,704	(46)
Debt Service-41000				
Support Services	3,694	3,694	3,712	(18)

Criteria

Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. For school districts, the expenditure function is the legal level of control.

Cause

The District did not make the appropriate budgetary adjustments requests and transfers to the funds mentioned in the condition, which would alleviate over-expenditure within the function prior to the year end.

Effect

As a result, the District is in non compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-spending of budgeted balances may result in unnecessary usage of operating funds to absorb the over-expenditures.

Recommendation

The District should establish a policy of budgetary review and make the necessary budget adjustments.

Response

We will monitor the budget more closely and amend it as necessary.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on October 5, 2015. Those present were Charles E. Trujillo-Superintendent, Dennis Romero-Board Secretary, Melvin Vigil-Board Member, Jack Rains-Audit Committee (Parent), Beverly Dobbins-Montoya-Head Start Director, Debra Alcon-Bookkeeper, Miguel Martinez-Chief Financial Officer and De'Aun Willoughby, CPA.