



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**JUNE 30, 2019**

## INTRODUCTORY SECTION

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SANTA FE PUBLIC SCHOOLS  
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**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
OFFICIAL ROSTER  
JUNE 30, 2019**

<b>Name</b>		<b>Title</b>
	<u>Board of Education</u>	
Kate Nobel		President
Lorraine Price		Vice President
Rudy Garcia		Secretary
Steven J. Carrillo		Member
Maureen Cashmon		Member
	<u>School Officials</u>	
Veronica Garcia		Superintendent
Richard Halford		Executive Director of Finance & Administration/Interim Chief Financial Officer

**FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

The Board of Education  
Santa Fe Public Schools  
Santa Fe, New Mexico and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor  
Santa Fe, New Mexico

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the Santa Fe Public Schools (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents. We have also audited the financial statements of the governmental activities of the discretely presented component unit, presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining financial statements as of and for the year ended June 30, 2019, as listed in the Table of Contents. We have also audited each major fund, the aggregate remaining fund information, and the respective budgetary comparisons of the following discretely presented component unit: Academy for the Technologies and the Classics, presented as supplementary information, as defined by the Government Accounting Standards Board, in accompanying combining and individual nonmajor fund financial statements as listed in the Table of Contents as of and for the year ended June 30, 2019.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those

The Board of Education  
Santa Fe Public Schools and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor

risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2019, and the respective changes in financial position, and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information and the respective budgetary comparisons of the following component unit (Academy of Technology and Classics) as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

Accounting principles generally accepted in the United States of America requires the Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of the District's Pension Contributions, Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of the District's Retiree Health Care Contributions on pages 56 - 60, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



The Board of Education  
Santa Fe Public Schools and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor

*Other Information*


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), and other information, such as the Introductory Section and Corrective Action Plan, which are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), 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 auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and the Corrective Action Plan 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 them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2019 on our consideration of the Santa Fe Public School'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 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 Santa Fe Public School's internal control over financial reporting and compliance.



Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 15, 2019

## **BASIC FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2019**

	Governmental Activities	
	Primary Government	Component Unit
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 26,195,015	\$ 1,374,465
Investments	-	-
Receivables	10,792,900	47,286
Inventory	416,960	-
Prepaid expenses	-	129,946
<b>Total current assets</b>	<b>37,404,875</b>	<b>1,551,697</b>
<b>Non-current assets</b>		
Restricted investments	78,640,200	-
Capital assets, net of accumulated depreciation	408,328,176	4,830,465
<b>Total non-current assets</b>	<b>486,968,376</b>	<b>4,830,465</b>
<b>Total assets</b>	<b>524,373,251</b>	<b>6,382,162</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Related to pensions and OPEB	78,530,595	1,874,671
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	8,181,545	25,075
Accrued liabilities	8,621,535	(1,814)
Current portion of compensated absences	850,754	10,418
Due to Agency Funds	78,840	-
Accrued interest	3,771,274	-
Current portion of long-term debt	31,615,199	149,030
<b>Total current liabilities</b>	<b>53,119,147</b>	<b>182,709</b>
<b>Non-current liabilities</b>		
Bond premiums, net of amortization	13,751,105	-
Net pension liability	312,561,256	7,316,736
Net OPEB liability	74,247,724	1,718,035
Long-term portion of debt	184,625,334	3,436,618
<b>Total non-current liabilities</b>	<b>585,185,419</b>	<b>12,471,389</b>
<b>Total liabilities</b>	<b>638,304,566</b>	<b>12,654,098</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Related to pensions and OPEB	28,588,253	702,120
<b>NET POSITION</b>		
Net investment in capital assets	178,336,538	1,244,817
Restricted for		
Debt service	44,330,124	-
Capital projects	39,953,699	-
Other	4,688,555	446,332
Unrestricted (deficit)	(331,297,889)	(6,790,534)
<b>Total net position (deficit)</b>	<b>\$ (63,988,973)</b>	<b>\$ (5,099,385)</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	Component Unit
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions		
<b>Primary Government</b>						
Governmental activities						
Instruction	\$ 118,877,840	\$ 666,292	\$11,003,542	\$ -	\$ (107,208,006)	
Support services						
Students	16,641,364	152,956	1,331,309	-	(15,157,099)	
Instruction	5,429,452	-	-	-	(5,429,452)	
General administration	3,161,347	-	63,227	-	(3,098,120)	
School administration	7,654,381	-	3,061,752	-	(4,592,629)	
Other	100,145	-	-	-	(100,145)	
Central services	3,005,788	-	-	-	(3,005,788)	
Operation & maintenance of plant	10,467,905	-	-	473,019	(9,994,886)	
Student transportation	4,676,670	-	4,161,230	-	(515,440)	
Food services operation	6,145,494	494,348	5,526,845	-	(124,301)	
Community services operations	25,829	-	-	-	(25,829)	
Facilities, materials, supplies, and other	52,353,313	-	-	-	(52,353,313)	
Interest/amortization and bond cost on long-term debt	6,981,648	-	-	-	(6,981,648)	
<b>Total governmental activities</b>	<b>\$ 235,521,177</b>	<b>\$ 1,313,596</b>	<b>\$ 25,147,905</b>	<b>\$ 473,019</b>	<b>\$ (208,586,656)</b>	
<b>Component Unit:</b>	<b>\$ 5,204,050</b>	<b>\$ 37,020</b>	<b>\$ 83,535</b>	<b>\$ 280,696</b>		<b>\$ (4,802,799)</b>
<b>General Revenues</b>						
Property taxes						
Levied for general purposes						
				1,494,030	547,717	
Levied for debt service						
				38,282,228	-	
Levied for capital projects						
				20,131,944	-	
State Equalization Guarantee Revenue						
				99,074,207	2,772,580	
Unrestricted investment earnings						
				1,883,826	-	
Loss on disposal of capital assets						
				-	-	
Miscellaneous						
				4,199,475	804,787	
<b>Total general revenues</b>				<b>165,065,710</b>	<b>4,125,084</b>	
<b>Changes in net position</b>				<b>(43,520,946)</b>	<b>(677,715)</b>	
Net position - beginning (deficit)						
				(20,468,027)	(4,514,437)	
Retatement						
				-	92,767	
Net position - beginning (deficit) as restated						
				(20,468,027)	(4,421,670)	
<b>Net position - ending (deficit)</b>				<b>\$ (63,988,973)</b>	<b>\$ (5,099,385)</b>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2019**

	General Fund			
	General	Pupil	Instructional	Title I
	11000	Transportation 13000	Materials 14000	IASA 24101
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 8,924,641	\$ 337,239	\$ 73,007	\$ -
Investments	-	-	-	-
Accounts receivable				
Taxes	117,031	-	-	-
Due from other governments	-	-	-	2,117,542
Interfund receivable	6,173,545	7,137	-	-
Other receivables	-	-	-	-
Inventory	-	416,960	-	-
<b>Total current assets</b>	<u>\$ 15,215,217</u>	<u>\$ 761,336</u>	<u>\$ 73,007</u>	<u>\$ 2,117,542</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 132,323	\$ 33,342	\$ -	\$ -
Cash overdraft	-	-	-	-
Due to other governments	-	-	-	-
Accrued expenses	7,452,724	252,434	-	200,347
Unspent grant revenue	-	-	-	-
Interfund payables	38,772	91,797	-	1,917,195
<b>Total current liabilities</b>	<u>7,623,819</u>	<u>377,573</u>	<u>-</u>	<u>2,117,542</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	77,669	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	416,960	-	-
Restricted for transportation	-	-	-	-
Restricted for instructional materials	-	-	73,007	-
Restricted for debt service	-	-	-	-
Restricted by grantor	-	-	-	-
Restricted for capital projects	-	-	-	-
Unassigned	7,513,729	(33,197)	-	-
<b>Total fund balances</b>	<u>7,513,729</u>	<u>383,763</u>	<u>73,007</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 15,215,217</u>	<u>\$ 761,336</u>	<u>\$ 73,007</u>	<u>\$ 2,117,542</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2019**

	Bond Building 31100	Capital Improvements HB-33 31600	Capital Improvements Educ. Tech. 31900	Debt Service 41000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 4,144,432	\$ 1,253,482	\$ 1,771,789	\$ 255
Investments	20,000,000	10,000,000	5,000,200	32,589,000
Accounts receivable				
Taxes	-	502,512	-	1,550,546
Due from other governments	-	-	-	-
Interfund receivable	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<b>\$ 24,144,432</b>	<b>\$ 11,755,994</b>	<b>\$ 6,771,989</b>	<b>\$ 34,139,801</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 3,669,252	\$ 1,566,822	\$ 2,025,260	\$ -
Cash overdraft	-	-	-	-
Due to other governments	-	-	-	-
Accrued expenses	-	-	75,697	-
Unspent grant revenue	-	-	-	-
Interfund payables	-	-	-	-
<b>Total current liabilities</b>	<b>3,669,252</b>	<b>1,566,822</b>	<b>2,100,957</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	333,498	-	1,029,040
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for transportation	-	-	-	-
Restricted for instructional materials	-	-	-	-
Restricted for debt service	-	-	-	33,110,761
Restricted by grantor	-	-	-	-
Restricted for capital projects	20,475,180	9,855,674	4,671,032	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>20,475,180</b>	<b>9,855,674</b>	<b>4,671,032</b>	<b>33,110,761</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 24,144,432</b>	<b>\$ 11,755,994</b>	<b>\$ 6,771,989</b>	<b>\$ 34,139,801</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2019**

	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 9,690,170	\$ 26,195,015
Investments	11,051,000	78,640,200
Accounts receivable		
Taxes	1,175,403	3,345,492
Due from other governments	5,329,866	7,447,408
Interfund receivable	51,727	6,232,409
Other receivables	-	-
Inventory	-	416,960
	<u>                    </u>	<u>                    </u>
<b>Total current assets</b>	<b><u>\$ 27,298,166</u></b>	<b><u>\$ 122,277,484</u></b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 754,546	\$ 8,181,545
Cash overdraft	-	-
Due to other governments	-	-
Accrued expenses	640,333	8,621,535
Unspent grant revenue	-	-
Interfund payables	4,263,485	6,311,249
	<u>                    </u>	<u>                    </u>
<b>Total current liabilities</b>	<b><u>5,658,364</u></b>	<b><u>23,114,329</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes	780,071	2,220,278
	<u>                    </u>	<u>                    </u>
<b>FUND BALANCES</b>		
Nonspendable	-	416,960
Restricted for transportation	-	-
Restricted for instructional materials	-	73,007
Restricted for debt service	11,219,363	44,330,124
Restricted by grantor	4,688,555	4,688,555
Restricted for capital projects	4,951,813	39,953,699
Unassigned	-	7,480,532
	<u>                    </u>	<u>                    </u>
<b>Total fund balances</b>	<b><u>20,859,731</u></b>	<b><u>96,942,877</u></b>
	<u>                    </u>	<u>                    </u>
<b>Total liabilities, deferred inflows and fund balances</b>	<b><u>\$ 27,298,166</u></b>	<b><u>\$ 122,277,484</u></b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019**

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

Fund balances - total governmental funds	\$ 96,942,877
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	408,328,176
Deferred outflow of resources related to pensions and OPEB	78,530,595
Deferred inflow of resources related to pensions and OPEB	(28,588,253)
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds	
Property taxes	2,220,278
Original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds	
Bond issuance premiums, net of accumulated amortization	(13,751,105)
Accrued interest	(3,771,274)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Net pension and OPEB liability	(386,808,980)
Accrued compensated absences	(850,754)
Long-term debt	<u>(216,240,533)</u>
<b>Net Position (Deficit) - Total Governmental Activities</b>	<b><u>\$ (63,988,973)</u></b>



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	General Fund			
	General 11000	Pupil Transportation 13000	Instructional Materials 14000	Title I IASA 24101
<b>REVENUES</b>				
Property taxes	\$ 1,489,773	\$ -	\$ -	\$ -
State grants	99,186,776	4,161,230	425,947	-
Federal grants	193,778	-	-	3,266,391
Charges for services	666,292	-	-	-
Miscellaneous	3,713,174	-	-	-
Interest	31,475	-	-	-
<b>Total revenues</b>	<u>105,281,268</u>	<u>4,161,230</u>	<u>425,947</u>	<u>3,266,391</u>
<b>EXPENDITURES</b>				
Current				
Instruction	67,932,893	-	352,940	2,521,864
Support services				
Students	12,731,598	-	-	29,111
Instruction	3,796,701	-	-	598,848
General administration	2,230,467	-	-	58,386
School administration	7,361,202	-	-	5,960
Central services	2,721,288	-	-	26,403
Operation & maintenance of plant	10,450,991	-	-	-
Student transportation	16,086	4,177,462	-	-
Other support services	100,145	-	-	-
Food services operations	263,074	-	-	-
Community service	10	-	-	25,819
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>107,604,455</u>	<u>4,177,462</u>	<u>352,940</u>	<u>3,266,391</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(2,323,187)</u>	<u>(16,232)</u>	<u>73,007</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Bond issuance premiums	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Operating transfers	(5,050)	-	-	-
<b>Total other financing sources (uses)</b>	<u>(5,050)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	(2,328,237)	(16,232)	73,007	-
Fund balances, beginning of year	9,841,966	399,995	-	-
<b>Fund balances, end of year</b>	<u>\$ 7,513,729</u>	<u>\$ 383,763</u>	<u>\$ 73,007</u>	<u>\$ -</u>

See Accompanying Notes.

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Bond Building 31100	Capital Improvements HB-33 31600	Capital Improvements Educ. Tech. 31900	Debt Service 41000
<b>REVENUES</b>				
Property taxes	\$ -	\$ 8,407,298	\$ -	\$ 28,103,671
State grants	1,418	4,000	-	211,791
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	1,064,565	-	292,259	279,659
<b>Total revenues</b>	<u>1,065,983</u>	<u>8,411,298</u>	<u>292,259</u>	<u>28,595,121</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	84,308	-	282,058
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	48,913,762	7,113,677	10,397,260	-
Debt service				
Principal	-	-	-	21,651,491
Interest	-	-	-	7,856,558
<b>Total expenditures</b>	<u>48,913,762</u>	<u>7,197,985</u>	<u>10,397,260</u>	<u>29,790,107</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(47,847,779)</u>	<u>1,213,313</u>	<u>(10,105,001)</u>	<u>(1,194,986)</u>
<b>Other financing sources (uses)</b>				
Bond issuance premiums	-	-	-	3,146,867
Proceeds from loans and bonds	30,000,000	-	11,000,000	-
Operating transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>30,000,000</u>	<u>-</u>	<u>11,000,000</u>	<u>3,146,867</u>
<b>Net changes in fund balances</b>	(17,847,779)	1,213,313	894,999	1,951,881
Fund balances, beginning of year	38,322,959	8,642,361	3,776,033	31,158,880
<b>Fund balances, end of year</b>	<u>\$ 20,475,180</u>	<u>\$ 9,855,674</u>	<u>\$ 4,671,032</u>	<u>\$ 33,110,761</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>		
Property taxes	\$ 21,554,122	\$ 59,554,864
State grants	4,481,298	108,472,460
Federal grants	13,458,175	16,918,344
Charges for services	647,304	1,313,596
Miscellaneous	547,507	4,260,681
Interest	215,868	1,883,826
<b>Total revenues</b>	<b>40,904,274</b>	<b>192,403,771</b>
<b>EXPENDITURES</b>		
Current		
Instruction	6,119,327	76,927,024
Support services		
Students	3,874,082	16,634,791
Instruction	1,033,903	5,429,452
General administration	503,844	3,159,063
School administration	287,219	7,654,381
Central services	256,608	3,004,299
Operation & maintenance of plant	16,914	10,467,905
Student transportation	68,348	4,261,896
Other support services	-	100,145
Food services operations	5,823,476	6,086,550
Community service	-	25,829
Capital outlay	6,931,240	73,355,939
Debt service		
Principal	8,999,203	30,650,694
Interest	864,152	8,720,710
<b>Total expenditures</b>	<b>34,778,316</b>	<b>246,478,678</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>6,125,958</b>	<b>(54,074,907)</b>
<b>Other financing sources (uses)</b>		
Bond issuance premiums	646,987	3,793,854
Proceeds from loans and bonds	130,296	41,130,296
Operating transfers	5,050	-
<b>Total other financing sources (uses)</b>	<b>782,333</b>	<b>44,924,150</b>
<b>Net changes in fund balances</b>	6,908,291	(9,150,757)
Fund balances, beginning of year	13,951,440	106,093,634
<b>Fund balances, end of year</b>	<b>\$ 20,859,731</b>	<b>\$ 96,942,877</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

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

Net changes in fund balances - total governmental funds	\$ (9,150,757)
District pension and OPEB contributions	12,251,305
Additional GASB 68 and 75 pension and OPEB expenses	(54,030,366)
Increase in accrued compensated absences	(47,485)
Decrease in unavailable revenue related to property tax receivable	353,338

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

Depreciation expense	(20,528,877)
Capital expenditures recorded in capital outlays	41,006,263
Loss on disposal of capital assets	-

The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In addition, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Proceeds of Long Term Debt	(44,924,150)
Adjustment to Long Term Debt Proceeds	(840,962)
Change in bond premiums	2,090,164
Decrease in accrued interest payable	(350,113)
Principal payments on debt	<u>30,650,694</u>

**Changes in Net Position - Total Governmental Activities** **\$ (43,520,946)**

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND (11000)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Property taxes	\$ 1,491,817	\$ 1,491,817	\$ 1,492,399	\$ 582
State grants	98,607,879	99,365,192	99,186,776	(178,416)
Federal grants	252,000	252,000	193,778	(58,222)
Charges for services	665,000	665,000	666,291	1,291
Miscellaneous	4,223,025	6,643,309	3,713,174	(2,930,135)
Interest	80,000	80,000	31,475	(48,525)
<b>Total revenues</b>	<u>105,319,721</u>	<u>108,497,318</u>	<u>105,283,893</u>	<u>(3,213,425)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	71,505,736	69,556,131	68,000,473	1,555,658
Support services		-		
Students	11,564,720	13,527,862	12,720,622	807,240
Instruction	3,788,843	4,034,251	3,750,806	283,445
General administration	2,132,875	2,551,848	2,200,659	351,189
School administration	7,538,716	7,305,129	7,361,181	(56,052)
Central services	2,539,705	2,829,815	2,723,006	106,809
Operation & maintenance of plant	8,958,297	11,318,097	10,513,510	804,587
Student transportation	-	10,000	16,086	(6,086)
Other support services	2,850,409	2,888,765	100,145	2,788,620
Food services operations	240,420	275,420	263,074	12,346
Community services	-	-	10	(10)
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>111,119,721</u>	<u>114,297,318</u>	<u>107,649,572</u>	<u>6,647,746</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(5,800,000)</u>	<u>(5,800,000)</u>	<u>(2,365,679)</u>	<u>3,434,321</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	(5,800,000)	(5,800,000)	(2,365,679)	3,434,321
Fund balances - beginning of year	<u>(13,899,988)</u>	<u>(13,807,970)</u>	<u>18,131,226</u>	<u>31,939,196</u>
<b>Fund balances - end of year</b>	<u>\$ (19,699,988)</u>	<u>\$ (19,607,970)</u>	<u>\$ 15,765,547</u>	<u>\$ 35,373,517</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			(7,676)	
Adjustments to expenditures			45,118	
<b>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</b>			<u>\$ (2,328,237)</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
PUPIL TRANSPORTATION FUND (13000)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	4,161,230	4,161,230	4,161,230	-
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>4,161,230</u>	<u>4,161,230</u>	<u>4,161,230</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	4,161,230	4,161,376	4,161,376	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>4,161,230</u>	<u>4,161,376</u>	<u>4,161,376</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>(146)</u>	<u>(146)</u>	<u>-</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	-	(146)	(146)	-
Fund balances - beginning of year	-	-	292	292
<b>Fund balances - end of year</b>	<u>\$ -</u>	<u>\$ (146)</u>	<u>\$ 146</u>	<u>\$ 292</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			-	
Adjustments to expenditures			(16,086)	
<b>Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)</b>			<u>\$ (16,232)</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
INSTRUCTIONAL MATERIALS FUND (14000)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	425,947	450,257	425,947	(24,310)
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>425,947</u>	<u>450,257</u>	<u>425,947</u>	<u>(24,310)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	461,697	450,257	352,940	97,317
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>461,697</u>	<u>450,257</u>	<u>352,940</u>	<u>97,317</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(35,750)</u>	<u>-</u>	<u>73,007</u>	<u>73,007</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	(35,750)	-	73,007	73,007
Fund balances - beginning of year	(834,784)	(955,794)	(99,458)	856,336
<b>Fund balances - end of year</b>	<u>\$ (870,534)</u>	<u>\$ (955,794)</u>	<u>\$ (26,451)</u>	<u>\$ 929,343</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<b>Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)</b>			<u>\$ 73,007</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL  
TITLE I FUND (24101)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	3,128,400	3,605,385	2,216,174	
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>3,128,400</u>	<u>3,605,385</u>	<u>2,216,174</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current				
Instruction	2,151,581	2,620,040	2,521,865	98,175
Support services				
Students	159,570	159,570	29,111	130,459
Instruction	633,478	633,478	598,848	34,630
General administration	53,279	61,805	58,386	3,419
School administration	12,355	12,355	5,960	6,395
Central services	78,137	78,137	26,403	51,734
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	40,000	40,000	25,819	14,181
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>3,128,400</u>	<u>3,605,385</u>	<u>3,266,392</u>	<u>338,993</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(1,050,218)</u>	<u>338,993</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	-	-	(1,050,218)	338,993
Fund balances - beginning of year	-	-	-	-
<b>Fund balances - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,050,218)</u>	<u>\$ 338,993</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			1,050,218	
Adjustments to expenditures			-	
<b>Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)</b>			<u>\$ -</u>	

See Accompanying Notes.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
JUNE 30, 2019**

**ASSETS**

Cash and investments	\$ 1,101,846
Due from governmental funds	<u>78,841</u>

<b>Total assets</b>	<b><u>\$ 1,180,687</u></b>
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**LIABILITIES**

Accounts payable	\$ 25,530
Deposits held in trust for others	<u>1,155,157</u>

<b>Total liabilities</b>	<b><u>\$ 1,180,687</u></b>
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**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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

The Santa Fe Public School Board was created under the provision of Chapter 22, Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected.

The School Board provides educational services to approximately 12,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

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

**A. Reporting Entity**

In evaluating the District as a reporting entity, management has addressed all potential Component Unit for which the District may be financially accountable and, as such, should be included within the District's financial statements. The District (the primary government) is financially accountable if (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District. Organizations for which the District is not financially accountable are also included when doing so is necessary in order to prevent the District's financial statements from being misleading. Discretely presented Component Unit are reported in separate columns in the government-wide financial statements. Based upon the application of these criteria, the following is a brief review of the potential Component Unit addressed in defining the government's reporting entity:

Academy for Technology & the Classics is a Component Unit of the District, as defined by GASB Statement No. 14 and/or GASB Statement No. 39 and have a separate governing board. The Charter Schools do not issue separate financial statements. Charter schools operate under the Senate Bill 192, Chapter 281, Laws of 1999 and are responsible for maintaining separate accounting records, and are Component Units of the school districts they operate within. Academy for Technology & the Classics operates foundations as a Component Unit of the Charter School as defined by GASB Statements No. 14 and 39. See Note 16 for certain information on Charter School assets and liabilities.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**B. Government-Wide and Fund Financial Statements**

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

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

*Deferred outflows of resources* – a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

*Deferred inflows of resources* – an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

*Net position* – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

Proprietary fund operating revenue, such as charges for service, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenue, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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

The District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the General Fund and the subgroup operating funds noted below, as well as the following funds:

Governmental funds include:

The *General Fund (Fund 11000)* is the primary operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds. In addition to Fund 11000, the following funds are subgroups of the operating fund:

The *Pupil Transportation Fund (Fund 13000)* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund (Fund 14000)* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Each nonmajor special revenue fund is presented following the notes to the financial statements.

The *Title I Fund (24101)* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced-price lunches. Any school with a free and reduced-price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The Debt Service Funds account for the services of long-term debt not being financed by proprietary or non-expendable trust funds. The following fund is a major debt service fund:

*The Debt Service (Fund 41000)* is used to account for the accumulation of resources for, and the payment of, GO Bond principal and interest.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Each nonmajor debt service fund is presented following the notes to the financial statements.

The Capital Projects Funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or non-expendable trust funds. The following fund is a major capital projects fund:

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

*Capital Improvements HB-33 (31600)* is used to account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings, purchasing or improving public school grounds.

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

Each nonmajor capital project fund is presented following the notes to the financial statements.

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

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

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools, and other State and Federal funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as bond building, SB-9 and special capital outlay funding to be used for

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

capital projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

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

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

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. There is no allowance for doubtful account in the current year. The District receives monthly income from a tax levy in Santa Fe County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Santa Fe County Treasurer in July 2019 and August 2019 is considered measurable and available and, accordingly, is recorded as revenue during the year ended June 30, 2019.

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



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

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

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

**Instructional Materials:** The New Mexico State Department of Education receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, 70% is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while 30% of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the 70% account for requisition of material from the adopted list.

**Inventory:** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the Special Revenue Funds consists of USDA commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. No unearned revenue was recorded for unused commodity inventory as of June 30, 2019. Inventories in the Transportation Fund consisted of related supplies.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000, per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide financial statements. However, infrastructure assets have not been included in the June 30, 2019 financial statements of Santa Fe Public Schools since the District did not own any infrastructure assets as of June 30, 2019. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally-developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2019.

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



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

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

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

Land Improvements	20 years
Buildings	20-50 years
Building Improvements	7-30 years
Equipment	5-20 years
Furniture & Fixtures	20 years
Vehicles	5-12 years

**Unearned Revenues:** The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resource’s measurement focus are reported as unearned revenues in the governmental fund financial statements.

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

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**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 Plan (ERP) and additions to/deductions from ERP’s fiduciary net position have been determined on the same basis as they are reported by ERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

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

**Post-employment Benefits Other Than Pensions (OPEB):** For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

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

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

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

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

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

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

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

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

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

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

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

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

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

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

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

**E. Revenues**

**State Equalization Guarantee:** School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to ensure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Article 8, Section 22-8-25, NMSA 1978) is at least equal to the school district's program cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education, 2) basic education, 3) special education, 4) bilingual-multicultural education, and 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available'. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**E. Revenues (Continued)**

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

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district.

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, 70% is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while 30% of each allocation is available for purchases directly from vendors.

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

**Deferred Outflows/Inflows of Resources**

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

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

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

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

Actual expenditures may not exceed the budget on a line item basis, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the PED.

In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.

The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**Budgetary Information (Continued)**

The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the PED.

Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.

Legal budget control for expenditures is by major function.

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 Santa Fe Public Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a cash basis and are reconciled on a GAAP basis. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

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

**NOTE 3. CASH AND TEMPORARY INVESTMENTS**

State statutes authorize the investment of District funds in a wide variety of instruments, including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2019.

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than 100% of the asked price on United States treasury bills of the same maturity on the day of deposit.

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

The collateral pledged is listed on the Schedule of Collateral Pledged by Depository for Public Funds. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest-bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

**Deposits.** New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for at least one half of the amount on deposit with the institution. The schedule presented below meets the requirements in reporting the insured portion of the deposits.

	First National Bank of Santa Fe	Wells Fargo	Morgan Stanley	Total
Total amounts of deposits	\$ 26,707,372	\$ 778,450	\$ 217,447	\$ 27,703,269
FDIC coverage	(500,000)	(250,000)	(217,447)	(967,447)
<b>Total uninsured public funds</b>	26,207,372	528,450	-	26,735,822
Collateral requirement (50% of uninsured Public funds)	13,103,686	264,225	-	13,367,911
Pledged collateral held by pledging bank trust department or agent but not in District's name	33,795,779	56,278	-	33,852,057
<b>Total under (over) collateralized</b>	<u>\$ (20,692,093)</u>	<u>\$ 207,947</u>	<u>\$ -</u>	<u>\$ (20,484,146)</u>

*Custodial Credit Risk – Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2019, the District was exposed to custodial credit risk.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

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

As of June 30, 2019, the District had the following investments and maturities:

Investment Type (Level 1 inputs)	Fair Value
New MexiGROW LGIP	<u>\$ 78,640,200</u>

The New MexiGROW LGIP is invested in the following at June 30, 2019: 45% in US government agencies (27% fixed rate; 18% floating rate), 21% in Treasuries, 28% in repurchase agreements, and 6% in collateralized demand deposit accounts with qualified banking institutions.

**Interest Rate Risk – Investments:** The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. The District’s investments were rated AAAM by Standard & Poors and have a weighted-average days to maturity (WAM) as follows: WAM(R) was 35 days and the WAM(F) was 112 days.

**Concentration Credit Risk – Investments:** For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the District. The investments in the State Pool LGIP Fund represent 100% of the investment portfolio. Since the District only purchases investment with the highest credit rating, the additional concentration is not viewed to be an additional risk by the District. The District’s policy related to concentration risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

**NOTE 4. RECEIVABLES**

Receivables as of June 30, 2019 are as follows:

	Operational	Title I IASA 24101	Bond Building	Capital Improvements Educ. Tech.	Debt Service	Other Governmental	Total
Property taxes	\$ 117,031	\$ -	\$ -	\$ 502,512	\$ 1,550,546	\$ 1,175,403	\$ 3,345,492
Intergovernmental - grants	-	2,117,542	-	-	-	5,329,866	7,447,408
Other	-	-	-	-	-	-	-
<b>Total</b>	<u>\$ 117,031</u>	<u>\$ 2,117,542</u>	<u>\$ -</u>	<u>\$ 502,512</u>	<u>\$ 1,550,546</u>	<u>\$ 6,505,269</u>	<u>\$ 10,792,900</u>



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 4. RECEIVABLES (CONTINUED)**

The above receivables are deemed 100% collectible. Property tax revenue recognized on property tax receivables in the governmental fund financial statements are net of deferred inflows-property taxes of \$2,220,278.

**NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for reimbursements. The composition of interfund balances as of June 30, 2019 is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds		
General Fund	\$ 6,173,545	\$ 38,772
Pupil Transportaion	7,137	91,797
Title I IASA	-	1,917,195
Capital Improvements Educ. Tech.	-	-
Nonmajor Funds		
Special Revenue Funds	51,727	3,728,179
Capital Project Funds		535,306
Agency Funds	<u>78,840</u>	<u>-</u>
<b>Total</b>	<u>\$ 6,311,249</u>	<u>\$ 6,311,249</u>

Operating transfers have primarily been recorded when expenditures were not moved from one fund to another and reimbursement was received for those expenditures.

	<u>Transfer In</u>	<u>Transfer Out</u>
Major Funds		
General Fund	\$ -	\$ 5,050
Nonmajor Funds		
Special Revenue Funds	5,050	-
Agency Funds	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 5,050</u>	<u>\$ 5,050</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 6. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2019 follows. Land is not subject to depreciation.

	Balance June 30, 2018	Additions	Deletions	Adjustments/ Transfers	Balance June 30, 2019
<b>Governmental Activities</b>					
Capital Assets not depreciated					
Construction in progress	\$ 49,897,673	\$ 40,106,777	\$ (68,939,955)	\$ -	\$ 21,064,495
Land	2,969,852	-	-	-	2,969,852
Total Capital Assets not being depreciated	<u>52,867,525</u>	<u>40,106,777</u>	<u>(68,939,955)</u>	<u>-</u>	<u>24,034,347</u>
Capital Assets subject to depreciation					
Land improvements	34,713,401	-	-	-	34,713,401
Buildings and building improvements	518,333,705	68,939,955	-	-	587,273,660
Furniture, fixtures and equipment	33,266,837	899,485	-	-	34,166,322
Total Capital Assets being depreciated	<u>586,313,943</u>	<u>69,839,440</u>	<u>-</u>	<u>-</u>	<u>656,153,383</u>
Accumulated Depreciation					
Land improvements	(18,000,186)	(1,393,033)	-	-	(19,393,219)
Buildings and building improvements	(210,070,888)	(16,158,561)	-	-	(226,229,449)
Furniture, fixtures and equipment	(23,259,603)	(2,977,283)	-	-	(26,236,886)
Total accumulation depreciation	<u>(251,330,677)</u>	<u>(20,528,877)</u>	<u>-</u>	<u>-</u>	<u>(271,859,554)</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 387,850,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,328,176</u>

Depreciation expense for the year ended June 30, 2019 was charged to governmental activities as follows:

Instruction	\$ 46,743
Support Services - Students	1,008
Support Services - General Administration	2,283
Central Services	1,489
Transportation	414,774
Food Services	58,944
Capital Outlay	<u>20,003,636</u>
<b>Total</b>	<u>\$ 20,528,877</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 7. LONG-TERM DEBT**

During the year ended June 30, 2019, the following changes occurred in the liabilities reported in the District's government-wide Statement of Net Position:

	Balance <u>June 30, 2018</u>	Additions	Deletions	Balance <u>June 30, 2019</u>	Due Within <u>One Year</u>
Bonds/notes payable	\$ 204,920,767	\$ 41,971,258	\$ (30,651,492)	<b>\$ 216,240,533</b>	\$ 31,615,199
Compensated absences	<u>803,269</u>	<u>722,942</u>	<u>(675,457)</u>	<b><u>850,754</u></b>	<u>850,754</u>
<b>Total</b>	<b><u>\$ 205,724,036</u></b>	<b><u>\$ 42,694,200</u></b>	<b><u>\$ (31,326,949)</u></b>	<b><u>\$ 217,091,287</u></b>	<b><u>\$ 32,465,953</u></b>

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds; payable solely from general property taxes that are levied against all taxable property in the District.

The District's Education Technology notes were issued for the purposes of purchasing technology equipment for use in school classrooms and are payable solely from the proceeds of their sale to a third-party. The bonds are payable out of the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on August 1. Interest rates on the bonds range from 2% to 5%. Principal payments in varying amounts are due annually on August 1 through 2028. The notes are payable out of the Debt Service Fund (Fund 43000). Interest payments are due semi-annually on August 1. Interest rates range from .35% to 5%.

During 2016, Santa Fe Public School (SFPS) District Board of Education approved a unique financing agreement which provided \$2,962,734 to construct solar array fields at two (2) school sites. The funding was provided by the New Mexico Finance Authority (NMFA) issuance of 2016A Series Energy Efficiency and Renewable Energy Bonds. The Bonds are special limited obligations of NMFA, and are payable with pledged revenue, which includes money transferred by the Public Education Department from deductions to the State Equalization Guarantee (SEG) distribution of the District. The amount of savings the District expects to gain from the project is designed to be approximately 11% more than the reduction, making for an expected positive net impact on the finances.

Please see Note 16.D. for detail on the Component Unit's long-term debt.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 7. LONG-TERM DEBT (CONTINUED)**

The requirements to amortize the General Obligation Bonds, Education Technology Notes, and Solar Array Note Payable as of June 30, 2019, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2020	\$ 31,615,199	\$ 8,380,608	\$ 39,995,807
2021	29,002,175	7,123,758	36,125,933
2022	24,702,276	5,889,008	30,591,284
2023	21,799,499	4,810,050	26,609,549
2024	18,199,605	2,820,013	21,019,618
2025-2029	75,423,456	7,904,044	83,327,500
2030-2034	13,587,100	1,549,840	15,136,940
2035-2039	1,051,411	503,257	1,554,668
2040-2044	859,812	66,541	926,353
<b>Total</b>	<b>\$ 216,240,533</b>	<b>\$ 39,047,119</b>	<b>\$ 255,287,652</b>

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

**NOTE 8. RISK MANAGEMENT**

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

The NMPSIA provides coverage for up to a maximum of \$750,000,000 for each property damage claim with a \$25,000 deductible per occurrence with a maximum annual deductible of 100,000. General liability coverage is afforded to all employees, volunteers, and Board members, and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$250,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2019, there have been no claims that have exceeded insurance coverage.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 9. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

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

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2019:

None

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2019:

None

**NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD**

**Plan description.** The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's Web site at [https://www.nmerb.org/Annual\\_reports.html](https://www.nmerb.org/Annual_reports.html).

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a seven-member Board of Trustees (Board); the state legislature has the authority to set or amend contribution rates and other terms of the plan. NMERB is self-funded through investment income and educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, colleges, junior colleges, technical-vocational institutions, state special schools, charter schools, and state agencies providing an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded.

**Pension benefit.** A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) 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.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**Summary of Plan Provisions for Retirement Eligibility.** 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 65 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 and before July 1, 2013. The eligibility for a member who either becomes a new member on or after July 1, 2010 and before July 1, 2013, or at any time prior to July 1, 2010 was refunded all member contributions and then becomes re-employed after July 1, 2010 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 67 years of age and has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

Section 2-11-23.2, NMSA 1978 added eligibility requirements for new members who were first employed on or after July 1, 2013, or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements:

- The member's minimum age is 55 and has earned 30 or more years of service credit. Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55.
- The member's minimum age and earned service credit add up to the sum of 80 or more. Those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits.
- The member's age is 67 and has earned 5 or more years of service credit.

**Forms of Payment.** 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.

**Benefit Options.** The Plan has three benefit options available:

- **Option A – Straight Life Benefit.** The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

- **Option B – Joint 100% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.
- **Option C – Joint 50% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

**Disability Benefit.** An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (FAS) multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member's FAS or (b) 2% of the member's FAS multiplied by total years of service credit projected to age 60.

**Cost of Living Adjustment (COLA).** All retired members and beneficiaries receiving benefits receive an automatic adjustment in their benefit on July 1 following the later of 1) the year a member retires, or 2) the year a member reaches age 65 (Tier 1 and Tier 2) or age 67 (Tier 3).

- Tier 1 membership is comprised of employees who became members prior to July 1, 2010.
- Tier 2 membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013.
- Tier 3 membership is comprised of employees who became members on or after July 1, 2013.

As of July 1, 2013, for current and future retirees the COLA is immediately reduced until the Plan is 100% funded. The COLA reduction is based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.5%. 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 1.7%.

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.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

**Refund of Contributions.** Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.

**Contributions.** For the fiscal years ended June 30, 2019 and 2018, educational employers contributed to the Plan based on the following rate schedule:

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase Over Prior Year
2019	7-1-18 to 6-30-19	Over \$20K	10.70%	13.90%	24.60%	0.00%
2019	7-1-18 to 6-30-19	\$20K or less	7.90%	13.90%	21.80%	0.00%
2018	7-1-17 to 6-30-18	Over \$20K	10.70%	13.90%	24.60%	0.00%
2018	7-1-17 to 6-30-18	\$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2019 and 2018, the District paid employee and employer contributions of \$18,719,238 and \$17,818,308, respectively, which equal the amount of the required contributions for each fiscal year. For the fiscal years ended June 30, 2019 and 2018, the Charter paid employee and employer contributions of \$464,707 and \$419,156, which equal the amount of the required contributions for each fiscal year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2019, the District reported a liability of \$312,561,256 for its proportionate share of the net pension liability. At June 30, 2019, the Charter reported a liability of \$7,316,736 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. The roll-forward incorporates the impact of the new assumptions adopted by the ERB Board on April 21, 2017. There were no other significant events of changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2018. Therefore, the District's and Charter's portion was established as of the measurement date of June 30, 2018. The District's and Charter's proportion of the net pension liability was based on a projection of the District and Charter long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions at June 30, 2018, actuarially determined. At June 30, 2018, the District's proportion was 2.62848%, which was an increase of 0.00411% from its proportion measured at June 30, 2017. At June 30, 2018, the Charter's proportion was 0.06153%, which was a decrease of 0.00044% from its proportion measured at June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$43,742,162. For the year ended June 30, 2019, the Charter recognized pension expense of \$963,370.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

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

At June 30, 2019, the District and Charter reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

**District:**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual actuarial experience change of assumptions	\$ 228,118	\$ 5,948,543
Net difference between projected and actual earnings on Pension plan investments	691,931	-
Changes in assumptions	64,417,397	-
Changes in proportion and differences between District contributions and proportionate share of contributions	941,935	1,876,790
District contributions subsequent to the measurement date	<u>10,720,340</u>	<u>-</u>
<b>Total</b>	<u>\$ 76,999,721</u>	<u>\$ 7,825,333</u>

**Charter:**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual actuarial experience change of assumptions	\$ 5,340	\$ 139,249
Net difference between projected and actual earnings on Pension plan investments	1,507,945	-
Changes in assumptions	16,197	-
Changes in proportion and differences between District contributions and proportionate share of contributions	42,443	45,514
District contributions subsequent to the measurement date	<u>265,461</u>	<u>-</u>
<b>Total</b>	<u>\$ 1,837,386</u>	<u>\$ 184,763</u>

The District reported \$10,720,340 and the Charter reported \$265,461 as deferred outflows of resources related to pensions resulting from the District's and Charter's contributions subsequent to the measurement date June 30, 2018 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

STATE OF NEW MEXICO  
 SANTA FE PUBLIC SCHOOLS  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2019

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

<b>District:</b>		<b>Charter:</b>	
<u>Year Ending June 30,</u>		<u>Year Ending June 30,</u>	
2020	\$ 22,711,972	2020	\$ 553,602
2021	(378,575)	2021	(15,629)
2022	9,107	2022	213
2023	<u>-</u>	2023	<u>-</u>
Total	<u>\$ 22,342,504</u>	Total	<u>\$ 538,186</u>

**Actuarial assumptions.** The total pension liability in the June 30, 2018 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

Inflation	2.50%												
Salary increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.												
Investment rate of return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75 real rate of return.												
Average of expected remaining service lives	<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Fiscal year</th> <th style="text-align: center;">2018</th> <th style="text-align: center;">2017</th> <th style="text-align: center;">2016</th> <th style="text-align: center;">2015</th> <th style="text-align: center;">2014</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Service life in years</td> <td style="text-align: center;">3.56</td> <td style="text-align: center;">3.65</td> <td style="text-align: center;">3.77</td> <td style="text-align: center;">3.92</td> <td style="text-align: center;">3.88</td> </tr> </tbody> </table>	Fiscal year	2018	2017	2016	2015	2014	Service life in years	3.56	3.65	3.77	3.92	3.88
Fiscal year	2018	2017	2016	2015	2014								
Service life in years	3.56	3.65	3.77	3.92	3.88								
Mortality	<p><b>Healthy males:</b> Based on the RP-2000 Combined Healthy Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table’s base year of 2000.</p> <p><b>Healthy females:</b> Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table’s base year of 2012.</p> <p><b>Disabled males:</b> RP-2000 Disabled Mortality Table for males, set back three years, projected to 2016 with Scale BB.</p> <p><b>Disabled females:</b> RP-2000 Disabled Mortality Table for females, no set back, projected to 2016 with Scale BB.</p> <p><b>Active members:</b> RP-2000 Employee Mortality Tables, with males set back two years and scaled at 80%, and females set back five years and scaled at 70%. Static mortality improvement from the table’s base year of 2000 to the year 2016 in accordance with Scale BB. No future improvement was assumed for preretirement mortality.</p>												
Retirement age	Experience-based table rates based on age and service, adopted by the Board on June 12, 2015 in conjunction with the six-year experience study for the period ending June 30, 2014.												
Cost-of-living increases	1.90% per year, compounded annually; increases deferred until July 1 following the year a member retires, or the year in which a member attains the age of 65 (67 for Tier 3), whichever is later or, for disabled retirees, until July 1 of the third year following retirement.												
Payroll growth	3.00% per year (with no allowance for membership growth).												
Contribution accumulation	The accumulated member account balance with interest is estimated at the valuation date by assuming that member contributions increased 5.50% per year for all years prior to the valuation date. Contributions are credited with 4.00% interest, compounded annually, applicable to the account balances in the past as well as the future.												
Disability incidence	Approved rates are applied to eligible members with at least 10 years of service.												

**STATE OF NEW MEXICO  
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**NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)**

Actuarial assumptions and methods are set by the Plan’s Board of Trustees, based upon recommendations made by the Plan’s actuary. The Board adopted new assumptions on April 21, 2017 in conjunction with the six-year actuarial experience study period ending June 30, 2016. At that time, the Board adopted several economic assumption changes, including a decrease in the inflation assumption from 3.00% to 2.50%. The 0.50% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.75% to 7.25%, the assumed annual wage inflation rate from 3.75% to 3.25%, the payroll growth assumption from 3.50% to 3.00%, and the annual assumed COLA from 2.00% to 1.90%.

The long-term expected rate of return on pension plan investments was determined using a building-block approach that includes the following:

- Rate of return projections that are the sum of current yield plus projected changes in price (valuations, defaults, etc.)
- Application of key economic projections (inflation, real growth, dividends, etc.)
- Structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Equities	33%	
Fixed income	26%	
Alternatives	40%	
Cash	1%	
	<u>100%</u>	<u>7.25%</u>

**Discount rate.** A single discount rate of 5.69% was used to measure the total pension liability as of June 30, 2018. This rate is .21% less than the 5.90% discount rate used for June 30, 2017.

The June 30, 2018 single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, and a municipal bond rate of 3.62%. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2050. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the 2050 fiscal year, and the municipal bond rate was applied to all benefit payments after that date.

The projections of cash flows used to determine the June 30, 2018 single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019

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

**Sensitivity of the District’s and Charter’s proportionate share of the net pension liability to changes in the discount rate.** The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 5.69%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.69%) or 1-percentage-point higher (6.69%) than the current rate.

	1 % Decrease 4.69%	Current Discount Rate 5.69%	1 % Increase 6.69%
District's proportionate share of the net pension liability	<u>\$406,209,923</u>	<u>\$312,561,256</u>	<u>\$236,149,789</u>
Charter's proportionate share of the net pension liability	<u>\$ 9,508,954</u>	<u>\$ 7,316,736</u>	<u>\$ 5,528,022</u>

**Pension Plan Fiduciary Net Position.** Detailed information about the ERB’s fiduciary net position is available in the separately issued audited financial statements as of and for the years ended June 30, 2019 and 2018, which are publicly available at [www.nmerb.org](http://www.nmerb.org).

**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN**

**Plan description.** Employees of the District are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico. NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA’s financial information is included with the financial presentation of the State of New Mexico.

**Benefits provided.** The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

**Employees covered by benefit terms.** At June 30, 2018, the Fund’s measurement date, the following State of New Mexico employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	51,205
Inactive and eligible for deferred benefit	11,471
Current active members	93,349
	156,025
Active membership	
State general	19,593
State police and corrections	1,886
Municipal general	17,004
Municipal police	3,820
Municipal FTRE	2,290
Educational Retirement Board	48,756
	93,349

**Contributions.** Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the District were \$1,530,874 for the year ended June 30, 2019. Contributions to the Fund from the Charter were \$37,285 for the year ended June 30, 2019.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** At June 30, 2019, the District reported a liability of \$74,247,724 for its proportionate share of the net OPEB liability. At June 30, 2019, the Charter reported a liability of \$1,718,035 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The District’s and Charter’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the District’s proportion was 1.70749%. The Charter’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the Charter’s proportion was 0.03951%.

**STATE OF NEW MEXICO  
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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

For the year ended June 30, 2019, the District recognized OPEB income of \$433,155. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 4,395,941
Differences between actual and projected earnings on OPEB plan investments	-	926,584
Changes of assumptions	-	15,440,395
Contributions made after the measurement date	<u>1,530,874</u>	<u>-</u>
Total	<u>\$ 1,530,874</u>	<u>\$ 20,762,920</u>

For the year ended June 30, 2019, the Charter recognized OPEB income of \$17,845. At June 30, 2019, the Charter reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 101,719
Differences between actual and projected earnings on OPEB plan investments	-	21,440
Changes of assumptions	-	320,750
Contributions made after the measurement date	<u>37,285</u>	<u>-</u>
Total	<u>\$ 37,285</u>	<u>\$ 517,357</u>

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

Deferred outflows of resources totaling \$1,530,874 represent District contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ 5,208,768
2021	5,208,768
2022	4,098,658
2023	<u>1,037,958</u>
Total	<u>\$ 15,554,152</u>

Deferred outflows of resources totaling \$37,285 represent Charter contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2020	\$ 128,349
2021	128,349
2022	102,662
2023	<u>29,648</u>
Total	<u>\$ 389,008</u>



**STATE OF NEW MEXICO  
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JUNE 30, 2019**

**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

**Actuarial assumptions.** The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Valuation Date	June 30, 2018
Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA
Projected payroll increases	3.50%
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non- Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs

**Rate of Return.** The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

Asset Class	Target Allocation	Long-Term Rate of Return
U.S. core fixed income	20%	2.1%
U.S. equity - large cap	20%	7.7%
Non U.S. - emerging markets	15%	10.2%
Non U.S. - developed equities	12%	7.8%
Private equity	10%	11.8%
Credit and structured finance	10%	5.3%
Real estate	5%	4.9%
Absolute return	5%	4.1%
U.S. equity - small/mid cap	3%	7.1%

**STATE OF NEW MEXICO  
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JUNE 30, 2019**

**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

**Discount Rate.** The discount rate used to measure the Fund’s total OPEB liability is 4.08% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2029. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Thus, 4.08% is the blended discount rate.

**Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.** The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the **current discount rate**:

1% Decrease (2.81%)	Current Discount (3.81%)	1% Increase (4.81%)
\$ 89,857,229	\$ 74,247,724	\$ 61,943,954

The following presents the net OPEB liability of the Charter, as well as what the Charter’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the **current discount rate**:

1% Decrease (2.81%)	Current Discount (3.81%)	1% Increase (4.81%)
\$ 2,079,227	\$ 1,718,035	\$ 1,433,335

The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the **current healthcare cost trend rates**:

1% Decrease	Current Trend Rates	1% Increase
\$ 62,765,358	\$ 74,247,724	\$ 83,250,157

The following presents the net OPEB liability of the Charter, as well as what the Charter’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the **current healthcare cost trend rates**:

1% Decrease	Current Trend Rates	1% Increase
\$ 1,452,342	\$ 1,718,035	\$ 1,926,344

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**NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN (CONTINUED)**

***OPEB plan fiduciary net position.*** Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2019.

**NOTE 12. CONTINGENT LIABILITIES**

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

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

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**NOTE 13. JOINT POWERS AGREEMENTS**

<b>Participants:</b>	Santa Fe Public Schools, NM Health Services Dept.	Cooperative Educational Services	National Joint Powers Alliance	High Plain Regional Education Cooperative	US Communities	Buy Board Nat'l Purchasing Cooperative
<b>Responsible Party:</b>	SFPS and NMHSD	N/A	N/A	N/A	N/A	N/A
<b>Description:</b>	To improve the health and development outcomes of children and youth in New Mexico by providing quality health care and service through the program and assuring the appropriate use of public funds in accordance with applicable state and federal requirements.	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement
<b>Begin Date:</b>	5/9/2003	12/18/1984	11/4/2009	7/26/2007	9/23/2014	5/26/2010
<b>End Date:</b>	Indefinitely	Indefinitely	Indefinitely	Indefinitely	Indefinitely	Indefinitely
<b>Total Estimated Amount of the Project and Portion Applicable to the District:</b>	Not to exceed \$500,000 each fiscal year	N/A	N/A	N/A	N/A	N/A
<b>Amount Contributed in Fiscal Year:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Audit Responsibility:</b>	SFPS	N/A	N/A	N/A	N/A	N/A
<b>Name of Govt Agency Report Rev &amp; Exp:</b>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fiscal Agent:</b>	N/A	N/A	N/A	N/A	N/A	N/A

**NOTE 14. DEFERRED COMPENSATION PLAN**

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**NOTE 15. TAX ABATEMENTS**

GASB Statement No. 77, Tax Abatement Disclosures, has been implemented by governmental entities for the fiscal year ended June 30, 2019. The District does not abate taxes and has not been materially impacted by any tax abatement agreements entered into by other governmental entities.

**NOTE 16. COMPONENT UNIT**

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

Academy for Technology & the Classics (ATC)

District management has determined that the charter school is a Component Unit under GASB Statement No. 61 since their operating budget and charter are presented and approved by the District's board and a financial burden exists upon closure of a school or when the school is in need of financial assistance. The charter school is considered a legally separate entity and has a separate board from the District board. The District does not appoint members of the charter school board. The New Mexico State Auditor has determined that a charter school is a major Component Unit of their respective Districts. Refer to previous footnotes for significant policies of the charter schools, as they are subject to the same State and Federal regulations and follow the same policies as the District. The following are summarized details of the charter school balances and transactions as of June 30, 2019 and for the year then ended:

In defining the reporting entity of ATC, management considered all possible Component Unit and it was determined (due to the significance of the relationship between the ATC Foundation, a non-profit corporation under the IRC Sec. 501(c)(3) and ATC), the Foundation qualified for inclusion in the financial statements of ATC as a blended Component Unit. This Component Unit has a separate appointed board and provides the building that houses ATC under the terms of a 30-year cancelable lease. For tax purposes, the ATC Foundation has a December 31 year-end.

**A. Cash and Temporary Investments**

Deposits: New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for a least one half of the amount on deposit with the institution. The schedule presented below meets the requirements in reporting the insured portion of the deposits.

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 16. COMPONENT UNIT (CONTINUED)**

**A. Cash and Temporary Investments (Continued)**

	<u>Academy for Technology and the Classics</u>		
	<u>Enterprise</u>	<u>Charles</u>	
	<u>Bank and Trust</u>	<u>Schwab</u>	<u>Total</u>
Total amounts of deposit	\$ 1,454,231	\$ 2,513	\$ 1,456,744
FDIC coverage	<u>(250,000)</u>	<u>(2,513)</u>	<u>(252,513)</u>
<b>Total uninsured public funds</b>	<b><u>\$ 1,204,231</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,204,231</u></b>
Collateral requirement (50% of uninsured public funds)	\$ 602,116	\$ -	\$ 602,116
Pledged security	<u>1,092,246</u>	<u>-</u>	<u>1,092,246</u>
<b>Total under (over) collateralized</b>	<b><u>\$ (490,131)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (490,131)</u></b>

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2019, none of the Charter School's bank was exposed to custodial credit risk.

**B. Accounts Receivable**

As of June 30, 2019, the Charter had accounts receivable due from other governments in the amount of \$47,286 all in non-major funds.

**C. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2019 follows:

	<u>Balance</u>			<u>Balance</u>
	<u>June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2019</u>
<b>Academy for Technology and the Classics</b>				
Construction in Progress	\$ -	\$ 149,118		<b>149,118</b>
Furniture, fixtures and equipment	219,335	-	-	<b>219,335</b>
Land and land improvements	537,007	-	-	<b>537,007</b>
Building and building improvements	5,818,482	-	-	<b>5,818,482</b>
Accumulated depreciation	<u>(1,704,865)</u>	<u>(188,612)</u>	<u>-</u>	<u><b>(1,893,477)</b></u>
<b>Capital assets, net</b>	<b><u>\$ 4,869,959</u></b>	<b><u>\$ (39,494)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,830,465</u></b>

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 16. COMPONENT UNIT (CONTINUED)**

**C. Capital Assets (Continued)**

Depreciation expense for the year ended June 30, 2019 was charged to governmental activities as follows:

Charter	\$	41,986
Foundation		146,626
<b>Total</b>	<b>\$</b>	<b>188,612</b>

**D. Commitment and Liabilities**

*Academy for Technology & the Classics* – The Charter leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2019 was \$348,000. The Charter had a compensated absences balance of \$10,418 at the beginning of the fiscal year. Additions to the balance were \$0, which resulted in an ending balance of \$10,418. Of this balance, \$10,418 is considered to be current.

Five year Payout-For Footnote Disclosure for Rent Expense

2020	2021	2022	2023	2024
\$ 378,000	\$ 378,000	\$ 378,000	\$ 378,000	\$ 378,000

On September 29, 2014, ATC Foundation refinanced an outstanding principal balance amount of \$4,200,000 with Los Alamos National Bank; total amount of loan, including financed fees was \$4,300,000. In addition, as part of the agreement with Los Alamos National Bank, ATC agreed to the conditional guarantee of 80% of the loan amount with Unites States Department of Agriculture (Rural Development program). The loan guarantee is subject to an annual renewal fee of .50% of the guaranteed portion of the outstanding principal balance as of December 31 of each year. Annual renewal fee payments not received by April 1 of the following year are considered delinquent and may result in cancellation of the guarantee to the lender.

The long-term mortgage payable for ATC Foundation as of June 30, 2019 is as follows:

Los Alamos National Bank Mortgage; interest rate 4.25%; matures December 2041, secured by building	<u>\$3,585,648</u>
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**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019**

**NOTE 16. COMPONENT UNIT (CONTINUED)**

**D. Commitment and Liabilities (Continued)**

The requirements to amortize the mortgage note payable as of June 30, 2019, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2020	\$ 149,030	\$ 216,351	\$ 365,381
2021	48,584	213,411	261,995
2022	51,709	210,318	262,027
2023	55,034	206,972	262,006
2024-2028	333,053	205,354	538,407
2029-2033	454,859	873,528	1,328,387
2034-2038	621,216	677,076	1,298,292
2039-2041	<u>1,872,163</u>	<u>351,394</u>	<u>2,223,557</u>
<b>Total</b>	<u>\$ 3,585,648</u>	<u>\$ 2,954,404</u>	<u>\$ 6,540,052</u>

**E. Retiree Health Care (RHC) Contributions**

During fiscal year 2019, RHC remitted by the School was \$37,283 in employer contributions as well as \$18,642 in employee contributions.

**F. Other Required Individual Fund Disclosures**

Generally accepted accounting principles require disclosures as part of the Combining Statements of certain information concerning individual funds, including:

- A. Excess of expenditures over appropriations.
- B. Receivables and payables from interfund transactions as of June 30, 2019, with funds which interfund transactions.
- C. Deficit fund balance of individual funds.



STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2019

**NOTE 16. COMPONENT UNIT (CONTINUED)**

**F. Other Required Individual Fund Disclosures (Continued)**

*Academy for Technology & the Classics:*

A. Excess of expenditures over budgeted appropriations:

IDEA-B Entitlement (Fund 24106)		
Instruction	\$	9,580

B. Receivables and payables from interfund transactions as of June 30, 2019 are listed below. Funds which interfund transactions were affected or created due to cash overdrafts are represented:

	Due To Other Funds	Due From Other Funds
General (Fund 11000)	\$ 47,282	\$ -
IDEA-B Entitlement (Fund 24106)	-	35,726
Teacher/Principal Training & Recruiting (Fund 24154)	-	11,556
<b>Total</b>	<u>\$ 47,282</u>	<u>\$ 47,282</u>

C. There are no funds reporting a deficit fund balance at June 30, 2019.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN  
LAST 10 FISCAL YEARS\* (UNAUDITED)

Fiscal Year Measurement Date	<b>2019</b> <b>2018</b>	2018 2017	2017 2016	2016 2015	2015 2014
District's proportion of the net pension liability	<b>2.62848%</b>	2.62437%	2.68673%	2.63247%	2.49363%
District's proportionate share of the net pension liability	<b>\$ 312,561,256</b>	\$ 291,658,526	\$ 193,348,739	\$ 170,512,077	\$ 142,279,821
District's covered employee payroll	<b>\$ 77,096,798</b>	\$ 73,444,754	\$ 74,686,466	\$ 71,874,864	\$ 68,733,558
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	<b>405%</b>	397%	259%	237%	207%
Plan fiduciary net position as a percentage of total pension liability	<b>52.17%</b>	52.95%	61.58%	63.97%	66.54%

\* The amounts presented were determined as of June 30. The 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 which information is available.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS  
EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN  
LAST 10 FISCAL YEARS\* (UNAUDITED)**

	June 30,				
	2019	2018	2017	2016	2015
Contractually required contributions	<b>\$10,720,340</b>	\$ 10,209,684	\$ 10,381,419	\$ 10,655,553	\$ 10,401,683
Contributions in relation to contractually required contributions	<b><u>\$10,720,340</u></b>	<u>\$ 10,209,684</u>	<u>\$ 10,381,419</u>	<u>\$ 10,655,553</u>	<u>\$ 10,401,683</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	<b>\$77,096,798</b>	\$ 73,444,754	\$ 74,686,466	\$ 71,874,864	\$ 68,733,558
Contributions as a percentage of covered employee payroll	<b>13.91%</b>	13.90%	13.90%	14.83%	14.47%

\* The amounts presented were determined as of June 30. The 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 which information is available.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN  
LAST 10 FISCAL YEARS\* (UNAUDITED)**

	Fiscal Year Measurement Date	<b>2019 2018</b>	2018 2017
District's proportion of the net OPEB liability		<b>1.70749%</b>	1.74188%
District's proportionate share of the net OPEB liability		<b>\$ 74,247,724</b>	\$ 78,936,306
District's covered-employee payroll		<b>\$ 73,261,852</b>	\$ 72,560,578
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll		<b>101.35%</b>	108.79%
RHCA Plan fiduciary net position as a percentage of the total pension liability		<b>13.14%</b>	11.34%

\* 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 available years. Complete information for the District is not available prior to 2018, the year the statement's requirements became effective.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF THE DISTRICT'S RETIREE HEALTH CARE CONTRIBUTIONS  
RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN  
LAST 10 FISCAL YEARS\* (UNAUDITED)**

	June 30,	
	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 2,668,239	\$ 5,531,287
Contributions in relation to the contractually required	<u>\$ 2,635,660</u>	<u>\$ 2,776,090</u>
District's proportion of the net OPEB liability	<u>\$ 32,579</u>	<u>\$ 2,755,197</u>
Employer's covered-employee payroll	\$ 73,261,852	\$ 72,560,578
Contributions as a percentage of covered-employee payroll	<b>3.60%</b>	3.83%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School will present information for available years. Complete information for the District is not available prior to fiscal year 2018, the year the statement's requirements became effective.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
JUNE 30, 2019**

**ERB PLAN**

***Changes in benefit provisions.*** There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2018.

***Changes in assumptions and methods.*** There were no modifications to the actuarial assumptions and methods reflected in the actuarial valuation at June 30, 2018.

**RHCA Plan**

***Changes in benefit provisions.*** There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2018.

***Changes in assumptions and methods.*** The actuary removed 4,010 members that were deemed participants of non-participating employers. There were no other modifications to the assumptions and methods that were reflected in the actuarial valuation at June 30, 2018.

**SUPPLEMENTARY INFORMATION**



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 4,106,180	\$ 5,583,869	\$ 121	\$ 9,690,170
Investments	-	-	11,051,000	11,051,000
Receivables				
Taxes	-	675,186	500,217	1,175,403
Due from other governments	4,926,023	403,843	-	5,329,866
Interfund receivables	51,727	-	-	51,727
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current assets</b>	<u>\$ 9,083,930</u>	<u>\$ 6,662,898</u>	<u>\$ 11,551,338</u>	<u>\$ 27,298,166</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 26,863	\$ 727,683	\$ -	\$ 754,546
Cash overdraft	-	-	-	-
Due to government	-	-	-	-
Accrued payroll liabilities	640,333	-	-	640,333
Interfund payables	3,728,179	535,306	-	4,263,485
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current liabilities</b>	<u>4,395,375</u>	<u>1,262,989</u>	<u>-</u>	<u>5,658,364</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	448,096	331,975	780,071
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	4,688,555	4,951,813	11,219,363	20,859,731
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total fund balances</b>	<u>4,688,555</u>	<u>4,951,813</u>	<u>11,219,363</u>	<u>20,859,731</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 9,083,930</u>	<u>\$ 6,662,898</u>	<u>\$ 11,551,338</u>	<u>\$ 27,298,166</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue	Capital Projects	Debt Service	Total
<b>REVENUES</b>				
Property taxes	\$ -	\$ 11,602,680	\$ 9,951,442	\$ 21,554,122
State grants	4,013,697	467,601	-	4,481,298
Federal grants	13,458,175	-	-	13,458,175
Charges for services	647,304	-	-	647,304
Miscellaneous	547,507	-	-	547,507
Interest	408	75,649	139,811	215,868
<b>Total revenues</b>	<u>18,667,091</u>	<u>12,145,930</u>	<u>10,091,253</u>	<u>40,904,274</u>
<b>EXPENDITURES</b>				
Current				
Instruction	6,119,327	-	-	6,119,327
Support services				
Students	3,874,082	-	-	3,874,082
Instruction	1,033,903	-	-	1,033,903
General administration	287,529	116,345	99,970	503,844
School administration	287,219	-	-	287,219
Central services	256,608	-	-	256,608
Operation & maintenance of plant	16,914	-	-	16,914
Student transportation	68,348	-	-	68,348
Other support services	-	-	-	-
Food services operations	5,823,476	-	-	5,823,476
Community service	-	-	-	-
Capital outlay	121,745	6,809,495	-	6,931,240
Debt service				
Principal	-	-	8,999,203	8,999,203
Interest	-	-	864,152	864,152
<b>Total expenditures</b>	<u>17,889,151</u>	<u>6,925,840</u>	<u>9,963,325</u>	<u>34,778,316</u>
<b>Excess of revenues over expenditures</b>	<u>777,940</u>	<u>5,220,090</u>	<u>127,928</u>	<u>6,125,958</u>
<b>Other financing sources</b>				
Operating transfers	5,050	-	-	5,050
Proceeds from loans and bonds	130,296	-	-	130,296
Bond issuance premiums	-	-	646,987	646,987
<b>Total other financing sources</b>	<u>135,346</u>	<u>-</u>	<u>646,987</u>	<u>782,333</u>
<b>Net changes in fund balances</b>	913,286	5,220,090	774,915	6,908,291
Fund balances, beginning of year	<u>3,775,269</u>	<u>(268,277)</u>	<u>10,444,448</u>	<u>13,951,440</u>
<b>Fund balances, end of year</b>	<u>\$ 4,688,555</u>	<u>\$ 4,951,813</u>	<u>\$ 11,219,363</u>	<u>\$ 20,859,731</u>

See Accompanying Notes.

**NONMAJOR SPECIAL REVENUE FUNDS**

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019**

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

**Food Services (21000)** – This fund is used to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users.

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

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

**Preschool IDEA-B (24109)** – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

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

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

**21<sup>st</sup> Century Community Learning Centers 2008-2014 (24119)** – To provide assistance for graduates in achieving jobs in their field of education. Authority: Carl D. Perkins Vocational and Technical Education Act of 1998, Title I; Workforce Investment Act, Section 503.

**Enhancing Education through Technology (24149).** To account for revenues and expenditures received from a federal grant to be used to encourage elementary and secondary schools and community-based agencies to create, develop, and offer service learning opportunities for school-age youth. The fund was created by the authority of the National and Community Service Act of 1990, as amended.

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

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

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**  
**JUNE 30, 2019**

**Safe & Drug Free Schools & Community (24157)** – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**Title I School Improvement (24162)** – (same as 24101) - To provide supplemental educational opportunity for academically disadvantaged children in the area residing. Campuses are identified for program participation by the percentage of students on free or reduced-price lunches. Any school with a free and reduced-price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

**Carl D. Perkins Special Projects – Current (24171)** - The objective of this grant is to provide secondary and postsecondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

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

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

**Student Support & Academic Enrichment Program (24189)** – To account for funds used to improve student’s academic achievement by increasing the capacity of States, local educational agencies (LEAs), schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students. Authorized by Section 4101 of the Elementary and Secondary Education Act.

**Johnson O’Malley (25131)** – To account for revenues and expenditures funded by the Department of Interior, Bureau of Indian Affairs, through the Navajo Tribe provided to supplement programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. The fund was created by the authority of federal grant provisions. (PL 103-382).

**XIX 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. Authority for creation of this fund is the Public Education Department.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

**Santa Fe Underage Drinking Alliance (25181)** – The Drug-Free Communities Support Program is a collaborative effort between the Office of Nation Drug Control Policy and the Substance Abuse and Mental Health Services Administration. Grant awards are issued to community coalitions through an interagency agreement with SAMHSA. The purpose of DFC funding is to address two major goals: 1) establish and strengthen collaboration among communities, public and private non-profit agencies, and Federal, State, Local and Tribal governments to support the efforts of community coalitions, and 2) reduce substance abuse among youth and over time young adults.

**Indian Education Formula Grant (25184)** – To make grants to State, Territories, Tribes and tribal organizations serving federally-recognized tribes (public institutions of higher education and hospitals are not eligible applicants) for child care assistance for low-income families and to: 1) allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State; 2) promote parental choice to empower working parents to make their own decisions on the child care that best suits their families' needs; 3) encourage States to provide consumer education information to help parents make informed choices about child care; 4) assist States to provide child care to parents trying to achieve independence from public assistance; and 5) assist States in implementing the health, safety, licensing and registration standards established in State regulations.

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

**GEAR UP (25205)** – Gear Up New Mexico funds will support successful high school graduation and post-secondary attendance.

**Safe Drug Free School/Community (25243)** - PL 107-110 Safe & Drug Free Schools & Communities Act of ESEA, as amended by NCLB Program Title: Safe and Drug-Free Schools and Communities- National Programs.

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

**PNM Foundation Grant (26123)** – To account for PNM funding supporting various grant requests. These are small classroom projects proposed by individual teachers within the district.

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

**2012 G.O. Bond Student Library Fund (SB 66) (27107)** – Funds used to purchase books, supplies and other media for school libraries. Laws of 2012. This fund replaced 27106.

**New Mexico Reads to Lead (27114)** – K-3 Reading Initiative legislative funded.

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

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

**Indian Education Act (27150)** – To account for funds to help support the educational reform initiatives outlined in the District’s Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas/ activities/ strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

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

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

**Legislative Appr. of 2007 (27165)** – To provide funds for college readiness and high school redesign initiative.

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

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

**2013 School Bus (27178)** – Appropriation to purchase school buses statewide. Laws of 2013 SB60 Section 53.

**Early College High School Start Up (27180)** - New Mexico State Legislation appropriation information specific to this award: Early College High School Initiative, Funding Agency: New Mexico Public Education Department, Special Appropriation Fund.

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

**Teacher and Leader Incentive Pay Program – Group (27190)** – The New Mexico Pay for Performance Pilot (PPP) establishes group and individual-based incentive programs designed to recognize and reward New Mexico’s high performing teachers and principals. By using local expertise and negotiating with local partners, PPP grantees will create innovative systems primarily to reward teachers and principals for their excellence. Authority for creating this fund are the Laws of 2014.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

**Early Intervention CYFD (28108)** – The purpose of this program is to provide nursery services for babies of teen students. Funds were provided through a discretionary grant from CYFD. Authority for creation of this fund is authorization of the New Mexico Public Education Department.

**ASSIST Tobacco DOH (28122)** – To account for monies received from the State of New Mexico to be used for the implementation of prevention and intervention programs for student use of tobacco, including professional development for teachers.

**Sub Abuse Ed/ Prev DOH (28142)** – To account for revenues received for the implementation of innovative and accessible school-based programs which effectively address the mental health and substance abuse needs of high-risk children, youth and their families. Authority: NMSA Section 29-17-2.

**NM Grads Childcare (28189)** – Program to provide licensed childcare services for parenting teens, as described in the GRADS “Scope of Work” with the New Mexico Public Education Department for the well-being of children born to Parenting Teen Families. Authority for creating this fund are the Laws of 2014.

**NM Grads Instructional (28190)** – Program to provide summer case management for parenting teens, as described in the GRADS “Scope of Work” with the New Mexico Public Education Department for the well-being of children born to Parenting Teen Families. Authority for creating this fund are the Laws of 2014.

**State Underage Drinking Prevention – Department of Transportation (28196)** – State of New Mexico, New Mexico Department of Transportation, Programs Division, Traffic Safety Division. Purpose: to fund activities to reduce DWI, which are of permanent direct benefit to traffic safety in New Mexico. Funding for this underage drinking prevention program are from state funds authorized by NMSA 66-5-35 “limited driving privilege upon suspension or revocation” which includes a \$45 interlock fee collected and transferred to the Department to be used for DWI prevention and education programs for elementary and secondary school students.

**Energy Minerals and Natural Resources Grant (28197)** – New Mexico Finance Authority Energy Efficiency and Renewable Energy Bonds (Santa Fe Public School District), Series 2016A for the purpose of providing funds for the construction of PV Solar Array Systems at Santa Fe High School and Ramirez Thomas Elementary School.

**Grads Plus (28203)** – Program to provide GRADS PLUS: Making Connections for Success model services at Capital and Santa Fe High School. Authority for creation of this fund are the Laws of 2014.

**Private Dir Grants (Categorical) (29102)** – To account for local grants awarded to provide additional funding for specific projects. AEL was awarded to provide training for the LLHS Administration. Milken was used for beautification purposes at a school site.

**Teen Pregnancy Grant (29103)** – To account for a mini-grant from the New Mexico Department of Health supporting student developed Teen Pregnancy Prevention training materials.

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

**McCune Charitable Foundation (29114)** – Santa Fe Public School E-STEM Program - Preparing Today’s Students for Tomorrow’s Challenges. Energy and Water Conservation Program.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019**

	Food Services 21000	Athletics 22000	IDEA-B Entitlement 24106	NM Autism Project 24108
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 1,877,766	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	542,781	-	1,625,857	6,956
Interfund receivables	33,722	14,114	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 2,454,269</u>	<u>\$ 14,114</u>	<u>\$ 1,625,857</u>	<u>\$ 6,956</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 13,058	\$ 1,159	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	292,482	-	60,435	-
Interfund payables	7,137	12,955	1,565,422	6,956
<b>Total current liabilities</b>	<u>312,677</u>	<u>14,114</u>	<u>1,625,857</u>	<u>6,956</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	2,141,592	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>2,141,592</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 2,454,269</u>	<u>\$ 14,114</u>	<u>\$ 1,625,857</u>	<u>\$ 6,956</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B Private School 24115	21st Century Community Learning Centers 24119
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	15,147	31,718	493,511
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current assets</b>	<u>\$ -</u>	<u>\$ 15,147</u>	<u>\$ 31,718</u>	<u>\$ 493,511</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	841	-	-
Interfund payables	-	14,306	31,718	493,511
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current liabilities</b>	<u>-</u>	<u>15,147</u>	<u>31,718</u>	<u>493,511</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ -</u>	<u>\$ 15,147</u>	<u>\$ 31,718</u>	<u>\$ 493,511</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	IDEA-B Results Plan 24132	Enhancing Education thru Technology 24149	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	53,457	-	28,135	125,917
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 53,457</u>	<u>\$ -</u>	<u>\$ 28,135</u>	<u>\$ 125,917</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	3,679	3,776
Interfund payables	53,457	-	24,456	122,141
<b>Total current liabilities</b>	<u>53,457</u>	<u>-</u>	<u>28,135</u>	<u>125,917</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 53,457</u>	<u>\$ -</u>	<u>\$ 28,135</u>	<u>\$ 125,917</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Title I School Improvement 24162	Carl D. Perkins Special Projects 24171	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	143,468	2,402
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	-	-	-	-
<b>Total current assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 143,468</b>	<b>\$ 2,402</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	143,468	2,402
	-	-	143,468	2,402
<b>Total current liabilities</b>	<b>-</b>	<b>-</b>	<b>143,468</b>	<b>2,402</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	-	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 143,468</b>	<b>\$ 2,402</b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	USHHS/CDC School Health 24186	Title I Student Support and Academic Enrichment 24189	Title I Comprehensive Support & Improvement 24190	Title I Direct Student Services 24193
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	75,912	23,044	23,630
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ -</u>	<u>\$ 75,912</u>	<u>\$ 23,044</u>	<u>\$ 23,630</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	5,497	-	-
Interfund payables	-	70,415	23,044	23,630
<b>Total current liabilities</b>	<u>-</u>	<u>75,912</u>	<u>23,044</u>	<u>23,630</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ -</u>	<u>\$ 75,912</u>	<u>\$ 23,044</u>	<u>\$ 23,630</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Johnson O'Malley 25131	Title XIX Medicaid 3/21 Years 25153	Santa Fe Underage Drinking Alliance 25181	Indian Education Formula Grant 25184
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ 1,247,715	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	22,726	315,804	32,265	26,986
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	<u>22,726</u>	<u>1,563,519</u>	<u>32,265</u>	<u>26,986</u>
<b>Total current assets</b>	<u>\$ 22,726</u>	<u>\$ 1,563,519</u>	<u>\$ 32,265</u>	<u>\$ 26,986</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ 4,145	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	54,817	-	2,238
Interfund payables	22,726	-	32,265	24,748
	<u>22,726</u>	<u>58,962</u>	<u>32,265</u>	<u>26,986</u>
<b>Total current liabilities</b>	<u>22,726</u>	<u>58,962</u>	<u>32,265</u>	<u>26,986</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	1,504,557	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>1,504,557</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<u>-</u>	<u>1,504,557</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 22,726</u>	<u>\$ 1,563,519</u>	<u>\$ 32,265</u>	<u>\$ 26,986</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	ROTC 25200	GEAR UP 25205	Safe Drug Free School Comm 25243	LANL Foundation 26113
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 30,283	\$ -	\$ 143	\$ 657,830
Receivables				
Taxes	-	-	-	-
Due from other governments	-	48,525	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	-	-	-	-
<b>Total current assets</b>	<b>\$ 30,283</b>	<b>\$ 48,525</b>	<b>\$ 143</b>	<b>\$ 657,830</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	6,542	-	-
Interfund payables	-	41,983	-	-
	-	48,525	-	-
<b>Total current liabilities</b>	<b>-</b>	<b>48,525</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	30,283	-	143	657,830
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	-	-	-	-
<b>Total fund balances</b>	<b>30,283</b>	<b>-</b>	<b>143</b>	<b>657,830</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 30,283</b>	<b>\$ 48,525</b>	<b>\$ 143</b>	<b>\$ 657,830</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	PNM Foundation, Inc. 26123	Dual Credit Instructional Materials/HB2 27103	2012 GO Bonds Student Library SB-66 27107	Reads to Lead K-3 27114
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 10,000	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	6,062	5,825	47,324
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 10,000</u>	<u>\$ 6,062</u>	<u>\$ 5,825</u>	<u>\$ 47,324</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	5,555
Interfund payables	-	6,062	5,825	41,769
<b>Total current liabilities</b>	<u>-</u>	<u>6,062</u>	<u>5,825</u>	<u>47,324</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	10,000	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 10,000</u>	<u>\$ 6,062</u>	<u>\$ 5,825</u>	<u>\$ 47,324</u>

See Accompanying Notes.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Excellence In Teaching Awards 27125	Truancy Initiative PED 27141	Pre K Initiative 27149	Indian Educational Act 27150
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	55,888	574,242	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ -</u>	<u>\$ 55,888</u>	<u>\$ 574,242</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	13,115	176,665	-
Interfund payables	-	42,773	397,577	-
<b>Total current liabilities</b>	<u>-</u>	<u>55,888</u>	<u>574,242</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ -</u>	<u>\$ 55,888</u>	<u>\$ 574,242</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Breakfast for Elementary Students 27155	Legislative Appropriations Math Grant 27165	Kindergarten - Three Plus 27166	School Bus Replacement 27178
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	827	-	304,629	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 827</u>	<u>\$ -</u>	<u>\$ 304,629</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	827	-	304,629	-
<b>Total current liabilities</b>	<u>827</u>	<u>-</u>	<u>304,629</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 827</u>	<u>\$ -</u>	<u>\$ 304,629</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	NM Grown FVV 27183	Teacher and Leader Incentive Pay Program 27188	K3 Plus 4&5 Pilot 27198	ASSIST Tobacco DOH 28122
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 84,929
Receivables				
Taxes	-	-	-	-
Due from other governments	754	-	160,448	3,750
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 754</u>	<u>\$ -</u>	<u>\$ 160,448</u>	<u>\$ 88,679</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 8,501	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	754	-	151,947	-
<b>Total current liabilities</b>	<u>754</u>	<u>-</u>	<u>160,448</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	88,679
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,679</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 754</u>	<u>\$ -</u>	<u>\$ 160,448</u>	<u>\$ 88,679</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Substance Abuse Ed/Prev DOH 28142	GRADS - Child Care 28189	GRADS - Instruction 28190	State Underage Drinking Prevention DOT 28196
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 7,823	\$ 7	\$ -	\$ 3,875
Receivables				
Taxes	-	-	-	-
Due from other governments	20,127	-	4,090	-
Interfund receivables	-	-	3,891	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total current assets</b>	<u>\$ 27,950</u>	<u>\$ 7</u>	<u>\$ 7,981</u>	<u>\$ 3,875</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	3,891	-
	<u>-</u>	<u>-</u>	<u>3,891</u>	<u>-</u>
<b>Total current liabilities</b>	<u>-</u>	<u>-</u>	<u>3,891</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	27,950	7	4,090	3,875
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<u>27,950</u>	<u>7</u>	<u>4,090</u>	<u>3,875</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 27,950</u>	<u>\$ 7</u>	<u>\$ 7,981</u>	<u>\$ 3,875</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	Energy Minerals and Nat Resources Grant 28197	GRADS Plus 28203	Private Dir Grants (Categorical) 29102	Teen Pregnancy 29103
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 143,554	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	22,831	19,779	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 22,831</u>	<u>\$ 19,779</u>	<u>\$ 143,554</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	2,315	813	-
Interfund payables	14,280	11,433	-	-
<b>Total current liabilities</b>	<u>14,280</u>	<u>13,748</u>	<u>813</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	8,551	6,031	142,741	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>8,551</u>	<u>6,031</u>	<u>142,741</u>	<u>-</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 22,831</u>	<u>\$ 19,779</u>	<u>\$ 143,554</u>	<u>\$ -</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019**

	City/County Grants 29107	McCune Charitable Foundation 29114	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ -	\$ 42,255	\$ 4,106,180
Receivables			-
Taxes	-	-	-
Due from other governments	61,206	-	4,926,023
Interfund receivables	-	-	51,727
Other receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current assets</b>	<u>\$ 61,206</u>	<u>\$ 42,255</u>	<u>\$ 9,083,930</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 26,863
Due to government	-	-	-
Accrued payroll liabilities	8,031	3,532	640,333
Interfund payables	29,672	-	3,728,179
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total current liabilities</b>	<u>37,703</u>	<u>3,532</u>	<u>4,395,375</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	23,503	38,723	4,688,555
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total fund balances</b>	<u>23,503</u>	<u>38,723</u>	<u>4,688,555</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 61,206</u>	<u>\$ 42,255</u>	<u>\$ 9,083,930</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Food Services 21000	Athletics 22000	IDEA-B Entitlement 24106	NM Autism Project 24108	IDEA-B Preschool 24109	Education of Homeless 24113
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	455	-	-	-	-	-
Federal grants	5,526,390	-	2,685,845	6,956	21,962	57,919
Charges for services	494,348	152,956	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	408	-	-	-	-	-
<b>Total revenues</b>	<u>6,021,601</u>	<u>152,956</u>	<u>2,685,845</u>	<u>6,956</u>	<u>21,962</u>	<u>57,919</u>
<b>EXPENDITURES</b>						
Current						
Instruction	-	180,150	541,350	6,956	-	888
Support services						
Students	-	-	1,963,599	-	-	-
Instruction	-	-	-	-	-	57,031
General administration	-	-	48,009	-	393	-
School administration	-	-	-	-	21,569	-
Central services	-	-	132,887	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	5,777,752	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<u>5,777,752</u>	<u>180,150</u>	<u>2,685,845</u>	<u>6,956</u>	<u>21,962</u>	<u>57,919</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>243,849</u>	<u>(27,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources</b>						
Operating transfers	-	1,159	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>1,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	243,849	(26,035)	-	-	-	-
Fund balances, beginning of year	<u>1,897,743</u>	<u>26,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 2,141,592</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	IDEA-B Private School 24115	21st Century Community Learning Centers 24119	IDEA-B Results Plan 24132	Enhancing Education thru Technology 24149	English Language Acquisition 24153
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	31,719	1,065,143	92,110	-	237,930
Charges for services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total revenues</b>	<u>31,719</u>	<u>1,065,143</u>	<u>92,110</u>	<u>-</u>	<u>237,930</u>
<b>EXPENDITURES</b>					
Current					
Instruction	-	823,793	92,110	-	121,139
Support services					
Students	31,719	64,707	-	-	-
Instruction	-	-	-	-	105,816
General administration	-	51,539	-	-	4,253
School administration	-	111,104	-	-	6,722
Central services	-	14,000	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<u>31,719</u>	<u>1,065,143</u>	<u>92,110</u>	<u>-</u>	<u>237,930</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources</b>					
Operating transfers	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Teacher/Principal Training & Recruiting 24154	Title I School Improvement 24162	Carl D. Perkins Special Projects 24171	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176	USHHS/CDC School Health 24186
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-	-
Federal grants	481,093	84,520	-	145,586	17,029	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<u>481,093</u>	<u>84,520</u>	<u>-</u>	<u>145,586</u>	<u>17,029</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current						
Instruction	280,560	84,520	-	144,219	16,878	-
Support services						
Students	-	-	-	-	-	-
Instruction	180,378	-	-	-	-	-
General administration	8,599	-	-	1,367	151	-
School administration	-	-	-	-	-	-
Central services	11,556	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<u>481,093</u>	<u>84,520</u>	<u>-</u>	<u>145,586</u>	<u>17,029</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Title I Student Support and Academic Enrichment 24189	Title I Comprehensive Support & Improvement 24190	Title I Direct Student Services 24193	Johnson O'Malley 25131	Title XIX Medicaid 3/21 Years 25153	Santa Fe Underage Drinking Alliance 25181
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-	-
Federal grants	144,978	165,980	179,911	27,691	1,949,465	116,221
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<u>144,978</u>	<u>165,980</u>	<u>179,911</u>	<u>27,691</u>	<u>1,949,465</u>	<u>116,221</u>
<b>EXPENDITURES</b>						
Current						
Instruction	56,693	164,674	162,711	21,399	-	-
Support services						
Students	85,694	671	-	-	972,405	114,162
Instruction	-	-	-	5,797	175,430	-
General administration	2,591	635	3,216	495	125,299	2,059
School administration	-	-	13,984	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<u>144,978</u>	<u>165,980</u>	<u>179,911</u>	<u>27,691</u>	<u>1,273,134</u>	<u>116,221</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>676,331</u>	<u>-</u>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>676,331</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>828,226</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,504,557</u>	<u>\$ -</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Indian Education Formula Grant 25184	ROTC 25200	GEAR UP 25205	Safe Drug Free School Comm 25243	LANL Foundation 26113	PNM Foundation, Inc. 26123
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-	-
Federal grants	81,153	100,733	237,841	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<u>81,153</u>	<u>100,733</u>	<u>237,841</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current						
Instruction	19,422	89,646	118,211	-	43,835	-
Support services						
Students	-	-	1,877	-	-	-
Instruction	60,280	-	113,535	-	-	-
General administration	1,451	-	4,218	-	-	-
School administration	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<u>81,153</u>	<u>89,646</u>	<u>237,841</u>	<u>-</u>	<u>43,835</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>11,087</u>	<u>-</u>	<u>-</u>	<u>(43,835)</u>	<u>-</u>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>11,087</u>	<u>-</u>	<u>-</u>	<u>(43,835)</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>19,196</u>	<u>-</u>	<u>143</u>	<u>701,665</u>	<u>10,000</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ 30,283</u>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 657,830</u>	<u>\$ 10,000</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Dual Credit Instructional Materials/HB2 27103	2012 GO Bonds - Student Library SB-66 27107	Reads to Lead K-3 27114	Excellence In Teaching Awards 27125	Truancy Initiative PED 27141	Pre K Initiative 27149
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	19,881	5,825	134,340	214,917	168,016	2,074,031
Federal grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<b>19,881</b>	<b>5,825</b>	<b>134,340</b>	<b>214,917</b>	<b>168,016</b>	<b>2,074,031</b>
<b>EXPENDITURES</b>						
Current						
Instruction	19,881	-	131,939	204,152	-	1,803,294
Support services						
Students	-	-	-	-	168,016	-
Instruction	-	5,825	-	-	-	202,707
General administration	-	-	2,401	-	-	19,912
School administration	-	-	-	-	-	-
Central services	-	-	-	10,765	-	-
Operation & maintenance of plant	-	-	-	-	-	15,440
Student transportation	-	-	-	-	-	32,678
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>19,881</b>	<b>5,825</b>	<b>134,340</b>	<b>214,917</b>	<b>168,016</b>	<b>2,074,031</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-	-	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See Accompanying Notes.

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES -**  
**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Indian Educational Act 27150	Breakfast for Elementary Students 27155	Legislative Appropriations Math Grant 27165	Kindergarten - Three Plus 27166	School Bus Replacement 27178	NM Grown FVV 27183
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	23,974	-	861,522	-	21,750
Federal grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>23,974</b>	<b>-</b>	<b>861,522</b>	<b>-</b>	<b>21,750</b>
<b>EXPENDITURES</b>						
Current						
Instruction	-	-	-	715,814	-	-
Support services	-	-	-	-	-	-
Students	-	-	-	9,734	-	-
Instruction	-	-	-	-	-	-
General administration	-	-	-	-	-	-
School administration	-	-	-	105,230	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	1,474	-	-
Student transportation	-	-	-	29,270	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	23,974	-	-	-	21,750
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>23,974</b>	<b>-</b>	<b>861,522</b>	<b>-</b>	<b>21,750</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-	-	-
<b>Fund balances, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Teacher and Leader Incentive Pay Program 27188	K3 Plus 4&5 Pilot 27198	ASSIST Tobacco DOH 28122	Substance Abuse Ed/Prev DOH 28142	GRADS - Child Care 28189	GRADS - Instruction 28190
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	160,448	38,750	225,840	-	7,864
Federal grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>160,448</u>	<u>38,750</u>	<u>225,840</u>	<u>-</u>	<u>7,864</u>
<b>EXPENDITURES</b>						
Current						
Instruction	-	121,106	-	-	-	-
Support services						
Students	-	4,332	30,720	220,044	-	7,864
Instruction	-	-	-	-	-	-
General administration	-	-	618	4,008	-	-
School administration	-	28,610	-	-	-	-
Central services	-	-	3,230	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	6,400	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>160,448</u>	<u>34,568</u>	<u>224,052</u>	<u>-</u>	<u>7,864</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>4,182</u>	<u>1,788</u>	<u>-</u>	<u>-</u>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	3,891
Proceeds from loans and bonds	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,891</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>4,182</u>	<u>1,788</u>	<u>-</u>	<u>3,891</u>
Fund balances, beginning of year	-	-	84,497	26,162	7	199
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,679</u>	<u>\$ 27,950</u>	<u>\$ 7</u>	<u>\$ 4,090</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	State Underage Drinking Prevention DOT 28196	Energy Minerals and Nat Resources Grant 28197	GRADS Plus 28203	Private Dir Grants (Categorical) 29102	Teen Pregnancy 29103	City/County Grants 29107
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	3,875	-	52,209	-	-	-
Federal grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Miscellaneous	-	-	-	179,800	-	284,880
Interest	-	-	-	-	-	-
<b>Total revenues</b>	<b>3,875</b>	<b>-</b>	<b>52,209</b>	<b>179,800</b>	<b>-</b>	<b>284,880</b>
<b>EXPENDITURES</b>						
Current						
Instruction	-	-	41,131	80,472	-	32,384
Support services						
Students	-	-	11,078	-	-	187,460
Instruction	-	-	-	20,095	-	107,009
General administration	-	-	-	366	-	5,949
School administration	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community service	-	-	-	-	-	-
Capital outlay	-	121,745	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>121,745</b>	<b>52,209</b>	<b>100,933</b>	<b>-</b>	<b>332,802</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,875</b>	<b>(121,745)</b>	<b>-</b>	<b>78,867</b>	<b>-</b>	<b>(47,922)</b>
<b>Other financing sources</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from loans and bonds	-	130,296	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>130,296</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>3,875</b>	<b>8,551</b>	<b>-</b>	<b>78,867</b>	<b>-</b>	<b>(47,922)</b>
Fund balances, beginning of year	-	-	6,031	63,874	-	71,425
<b>Fund balances, end of year</b>	<b>\$ 3,875</b>	<b>\$ 8,551</b>	<b>\$ 6,031</b>	<b>\$ 142,741</b>	<b>\$ -</b>	<b>\$ 23,503</b>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	McCune Charitable Foundation 29114	Total
<b>REVENUES</b>		
Property taxes	\$ -	\$ -
State grants	-	4,013,697
Federal grants	-	13,458,175
Charges for services	-	647,304
Miscellaneous	82,827	547,507
Interest	-	408
<b>Total revenues</b>	<u>82,827</u>	<u>18,667,091</u>
<b>EXPENDITURES</b>		
Current		
Instruction	-	6,119,327
Support services		
Students	-	3,874,082
Instruction	-	1,033,903
General administration	-	287,529
School administration	-	287,219
Central services	84,170	256,608
Operation & maintenance of plant	-	16,914
Student transportation	-	68,348
Other support services	-	-
Food services operations	-	5,823,476
Community service	-	-
Capital outlay	-	121,745
Debt service		
Principal	-	-
Interest	-	-
<b>Total expenditures</b>	<u>84,170</u>	<u>17,889,151</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,343)</u>	<u>777,940</u>
<b>Other financing sources</b>		
Operating transfers	-	5,050
Proceeds from loans and bonds	-	130,296
<b>Total other financing sources</b>	<u>-</u>	<u>135,346</u>
<b>Net changes in fund balances</b>	(1,343)	913,286
Fund balances, beginning of year	<u>40,066</u>	<u>3,775,269</u>
<b>Fund balances, end of year</b>	<u>\$ 38,723</u>	<u>\$ 4,688,555</u>

See Accompanying Notes.



**NONMAJOR CAPITAL PROJECTS FUNDS**

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2019**

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

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

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

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2019**

	Special Capital Outlay State 31400	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local 31701	Total
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 5,583,869	\$ 5,583,869
Investments	-	-	-	-
Accounts receivable				
Taxes	-	-	675,186	675,186
Due from other governments	403,843	-	-	403,843
Interfund receivables	-	-	-	-
Other	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
<b>Total current assets</b>	<u>\$ 403,843</u>	<u>\$ -</u>	<u>\$ 6,259,055</u>	<u>\$ 6,662,898</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 727,683	\$ 727,683
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	446,843	88,463	-	535,306
<b>Total current liabilities</b>	<u>446,843</u>	<u>88,463</u>	<u>727,683</u>	<u>1,262,989</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	448,096	448,096
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	(43,000)	(88,463)	5,083,276	4,951,813
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>(43,000)</u>	<u>(88,463)</u>	<u>5,083,276</u>	<u>4,951,813</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 403,843</u>	<u>\$ -</u>	<u>\$ 6,259,055</u>	<u>\$ 6,662,898</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Capital Outlay State 31400	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local 31701	Total
<b>REVENUES</b>				
Property taxes	\$ -	\$ -	\$ 11,602,680	\$ 11,602,680
State grants	318,206	277	149,118	467,601
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	75,649	75,649
<b>Total revenues</b>	<u>318,206</u>	<u>277</u>	<u>11,827,447</u>	<u>12,145,930</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	116,345	116,345
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	361,206	43,209	6,405,080	6,809,495
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>361,206</u>	<u>43,209</u>	<u>6,521,425</u>	<u>6,925,840</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(43,000)</u>	<u>(42,932)</u>	<u>5,306,022</u>	<u>5,220,090</u>
<b>Other financing sources</b>				
Proceeds from loans and bonds	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	(43,000)	(42,932)	5,306,022	5,220,090
Fund balances, beginning of year	-	(45,531)	(222,746)	(268,277)
<b>Fund balances, end of year</b>	<u>\$ (43,000)</u>	<u>\$ (88,463)</u>	<u>\$ 5,083,276</u>	<u>\$ 4,951,813</u>

See Accompanying Notes.

**NONMAJOR DEBT SERVICE FUND**

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
DEBT SERVICE FUND  
JUNE 30, 2019

**Education Technology Debt (43000)** – This fund is used to account for the accumulation of resources for, and the payment of, Educational Technology note principal and interest.

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING BALANCE SHEET -  
NON-MAJOR DEBT SERVICE FUND  
JUNE 30, 2019

	Education Technology Debt <u>43000</u>
<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 121
Investments	11,051,000
Accounts receivable	
Taxes	500,217
Due from other governments	-
Interfund receivables	-
Other	-
Inventory	-
<b>Total current assets</b>	<u>\$ 11,551,338</u>
 <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Accounts payable	\$ -
Cash overdraft	-
Due to government	-
Accrued expenses	-
Accrued compensated absences	-
Interfund payables	-
<b>Total current liabilities</b>	<u>-</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Property taxes	<u>331,975</u>
 <b>FUND BALANCES</b>	
Nonspendable	-
Restricted for debt service	11,219,363
Unassigned	-
<b>Total fund balances</b>	<u>11,219,363</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 11,551,338</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
NONMAJOR DEBT SERVICE FUND  
FOR THE YEAR ENDING JUNE 30, 2019**

	Education Technology Debt <u>43000</u>
<b>REVENUES</b>	
Property taxes	\$ 9,951,442
State grants	-
Federal grants	-
Miscellaneous	-
Interest	<u>139,811</u>
<b>Total revenues</b>	<u>10,091,253</u>
<b>EXPENDITURES</b>	
Current	
Instruction	-
Support services	
Students	-
Instruction	-
General administration	99,970
School administration	-
Cenertal services	-
Operation & maintenance of plant	-
Student transportation	-
Other support services	-
Food services operations	-
Community service	-
Facilities, materials, supplies, and other	-
Capital outlay	-
Debt service	
Principal	8,999,203
Interest	<u>864,152</u>
<b>Total expenditures</b>	<u>9,963,325</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>127,928</u>
<b>Other financing sources</b>	
Operating transfers in	-
Operating transfers out	-
Bond issuance premiums	<u>646,987</u>
<b>Total other financing sources</b>	<u>646,987</u>
<b>Net changes in fund balances</b>	774,915
Fund balances- beginning of year	<u>10,444,448</u>
<b>Fund balances - end of year</b>	<u>\$ 11,219,363</u>

See Accompanying Notes.



**OTHER SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Balance June 30, 2018	Additions	Deletions	Adjustments / Transfers	Balance June 30, 2019
Academy	\$ 5,374	\$ 6,063	\$ 6,490	\$ -	\$ 4,948
Acequia Madre	(1,713)	3,216	200	-	1,303
Administrative	210,631	125,895	89,043	-	247,483
Administrative - HSP	133	107	-	-	240
Amy Biehl	5,860	6,474	4,704	-	7,630
Aspen	5,192	3,007	3,281	-	4,919
Atalaya	33,335	39,828	46,281	-	26,882
BF Young Coke Funding	2,671	-	104	-	2,567
Capital High	143,941	210,254	225,270	(2,085)	126,840
Carlos Gilbert	20,996	86,746	70,047	-	37,695
Cesar Chavez	19,167	24,688	21,239	-	22,616
Chaparral	19,873	5,043	9,284	-	15,633
District	783	-	471	-	312
Early College Opportunities	6,036	7,827	22,866	-	(9,003)
EJ Martinez	6,971	414	1,037	-	6,348
El Camino (was Agua Fria)	20,342	72,241	80,780	-	11,804
El Dorado	159,975	117,966	101,024	-	176,916
Gonzales	8,145	6,262	5,790	-	8,617
Human Resources Fingerprinting	1,531	320	1,407	-	444
Kearny	58,503	76,889	71,506	-	63,886
Milagro	23,630	28,974	25,073	-	27,531
Music Sunshine Club	1,802	452	515	-	1,739
Nava	13,363	5,496	5,881	-	12,978
Nelson Mandela	5,872	2,224	6,232	-	1,865
Nino Otero	9,426	36,350	36,060	-	9,717
NYE	16,039	5,948	13,725	-	8,263
Ortiz	8,818	11,608	10,409	-	10,017
Pinon	7,488	14,302	6,282	(500)	15,008
Ramirez Thomas	3,904	5,070	5,087	-	3,887
Salazar	7,812	19	6,028	-	1,802
Santa Fe High	231,054	256,851	264,464	891	224,332
Student Nutrition	437	9,032	323	-	9,146
Student Wellness	35,204	132,210	116,979	-	50,435
Students Assistance	-	-	-	-	-
Summer School	19,812	17,550	19,219	-	18,142
Superintendent	19	10,046	88,698	-	(78,633)
Sweeney	50,789	45,385	39,693	-	56,481
Tech Coke Funding	1,399	22	197	-	1,224
Tesuque	11,774	11,258	13,428	-	9,604
Transportation	11,746	438,131	446,667	(79,218)	(76,008)
Truancy	1,138	1,970	-	-	3,108
Wood Gormley	19,118	141,784	145,794	-	15,108
Zia	548	-	-	-	548
	<b>1,208,940</b>	<b>\$ 1,967,921</b>	<b>\$ 2,011,578</b>	<b>\$ (80,912)</b>	<b>1,084,371</b>
Held checks	<b>13,977</b>				<b>17,475</b>
Total cash and investments	<b>1,222,917</b>				<b>1,101,846</b>
Due from governmental funds	-				<b>78,841</b>
<b>Total assets</b>	<b>\$ 1,222,917</b>				<b>\$ 1,180,687</b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY  
FOR PUBLIC FUNDS  
JUNE 30, 2019**

Name of Depository	Description of Pledged Collateral	Type	Maturity	CUSIP Number	Face Value or Fair Market Value
<b><u>First National Bank of Santa Fe</u></b>					
First National Bank of Denver	FNMA FNRM	Bond	2/25/2026	3136ALBY6	2,560,634
First National Bank of Denver	FNMA FNRM	Bond	8/25/2030	3136AP2V3	2,383,254
First National Bank of Denver	FNMA FNRM	Bond	8/25/2046	3136AYC27	4,337,115
First National Bank of Denver	FNMA FNRM	Bond	11/15/2043	3137F5KP3	4,400,683
First National Bank of Denver	FNMA FNRM	Bond	4/15/2044	3137FAB56	4,275,809
First National Bank of Denver	FNMA FNRM	Bond	3/15/2044	3137FACG1	2,573,635
First National Bank of Denver	FNMA FNRM	Bond	12/15/2044	3137FGY7	5,007,308
First National Bank of Denver	FNMA FNRM	Bond	3/15/2040	3137FGNE1	4,185,777
First National Bank of Denver	GNMA GNRM	Bond	4/20/2047	38380GGK4	<u>4,071,564</u>
<b>Total First National Bank of Santa Fe</b>					<b>\$ <u>33,795,779</u></b>
<b><u>Wells Fargo Bank</u></b>					
Bank of New York Mellon	FNMA	Bond	7/1/2031	3140EXJ61	<u>\$ 56,278</u>
<b>Total Wells Fargo Bank</b>					<b>\$ <u>56,278</u></b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
JUNE 30, 2019**

Bank Account Type	First National Bank of Santa Fe	Wells Fargo	Morgan Stanley	Total
Checking - Accounts Payable Clearing	\$ 3,420,422	\$ -	\$ -	\$ 3,420,422
Checking - Capital Projects	3,988,065	-	-	3,988,065
Checking - Debt Service	377	-	-	377
Checking - Operational Account	11,313,310	-	-	11,313,310
Checking - Payroll Clearing	6,388,450	-	-	6,388,450
Checking - Payroll ACH	-	-	-	-
Checking - Student Nutrition Fund (Cafeteria)	1,596,748	-	-	1,596,748
Checking - Activity	-	778,450	-	778,450
Investment Accounts	-	-	217,447	217,447
<b>Total on Deposit</b>	<b>26,707,372</b>	<b>778,450</b>	<b>217,447</b>	<b>27,703,269</b>
Reconciling Items	(7,050,466)	88,474	-	(6,961,992)
<b>Reconciled Balance, June 30, 2019</b>	<b><u>\$ 19,656,906</u></b>	<b><u>\$ 866,924</u></b>	<b><u>\$ 217,447</u></b>	<b>20,741,277</b>
Checks held at year-end				6,555,584
Investments with State of New Mexico Treasurer's Office				<u>78,640,200</u>
				<b><u>\$ 105,937,061</u></b>
Fiduciary Assets & Liabilities - Agency Funds				\$ 1,101,846
Cash and Investments per Government-Wide Financial Statements				<u>104,835,215</u>
				<b><u>\$ 105,937,061</u></b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
JUNE 30, 2019**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2018	\$ 3,291,660	\$ 142,643	\$ -	\$ 1,947,614
Add:				
2018-19 revenues	105,283,894	4,161,229	425,947	5,200,523
Receipt of prior year loans	12,207,169	-	-	-
Loans from other funds	<u>33,722</u>	<u>91,797</u>	-	<u>7,137</u>
<b>Total cash available</b>	120,816,445	4,395,669	425,947	7,155,274
Less:				
2018-19 expenditures	(107,649,573)	(4,161,376)	(352,940)	(5,353,168)
Change in accruals	11,062	-	-	-
Repayment of loans	-	-	-	-
Loans to other funds	<u>(6,173,545)</u>	<u>(7,137)</u>	-	<u>(33,722)</u>
Change due to held checks and payroll liabilities	<u>1,920,252</u>	<u>110,083</u>	-	<u>109,382</u>
<b>Cash, June 30, 2019</b>	<u><u>\$ 8,924,641</u></u>	<u><u>\$ 337,239</u></u>	<u><u>\$ 73,007</u></u>	<u><u>\$ 1,877,766</u></u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	Athletics Account 22000	Non-Instruction Account 23000	Federal Flowthrough 24000	Federal Direct 25000
Cash, June 30, 2018	\$ 29,103	\$ -	\$ -	\$ 761,373
Add:				
2018-19 revenues	152,956	-	6,372,044	2,309,781
Receipt of prior year loans	-	-	-	-
Loans from other funds	<u>12,955</u>	-	<u>4,492,121</u>	<u>121,722</u>
<b>Total cash available</b>	195,014	-	10,864,165	3,192,876
Less:				
2018-19 expenditures	(182,060)	-	(8,685,071)	(1,819,663)
Change in accruals	-	-	49,983	(1,877)
Repayment of loans	-	-	(2,226,508)	(100,170)
Loans to other funds	(12,955)	-	-	-
Change due to held checks and payroll liabilities	<u>-</u>	<u>-</u>	<u>(2,569)</u>	<u>6,975</u>
<b>Cash, June 30, 2019</b>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ 1,278,141</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	Local Grants 26000	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Cash, June 30, 2018	\$ 711,665	\$ -	\$ 87,565	\$ 104,791
Add:				
2018-19 revenues	-	3,811,389	1,364,964	629,152
Receipt of prior year loans	-	-	-	-
Loans from other funds	-	<u>952,163</u>	<u>29,604</u>	<u>29,672</u>
<b>Total cash available</b>	711,665	4,763,552	1,482,133	763,615
Less:				
2018-19 expenditures	(43,835)	(3,676,206)	(894,155)	(517,906)
Change in accruals	-	-	-	-
Repayment of loans	-	(1,165,779)	(493,658)	(61,621)
Loans to other funds	-	-	-	-
Change due to held checks and payroll liabilities	<u>-</u>	<u>78,433</u>	<u>2,315</u>	<u>1,721</u>
<b>Cash, June 30, 2019</b>	<u>\$ 667,830</u>	<u>\$ 0</u>	<u>\$ 96,634</u>	<u>\$ 185,809</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	Bond Building 31100	Special Capital Outlay State 31400	Capital Improvement HB 33 31600	Cap. Improv. SB9 - State 31700
Cash, June 30, 2018	\$ 46,700,000	\$ -	\$ 8,758,297	\$ -
Add:				
2018-19 revenues	31,133,609	-	8,436,217	277
Receipt of prior year loans	-	-	-	-
Loans from other funds	-	446,843	-	88,463
<b>Total cash available</b>	77,833,609	446,843	17,194,514	88,740
Less:				
2018-19 expenditures	(49,190,767)	(361,206)	(5,937,702)	(53,740)
Change in accruals	-	-	-	-
Repayment of loans	(4,498,410)	(85,637)	-	(35,000)
Loans to other funds	-	-	-	-
Change due to held checks and payroll liabilities	-	-	(3,329)	-
<b>Cash, June 30, 2019</b>	<u>\$ 24,144,432</u>	<u>\$ (0)</u>	<u>\$ 11,253,482</u>	<u>\$ 0</u>



**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**SCHEDULE OF CASH RECONCILIATION (CONTINUED)**  
**JUNE 30, 2019**

	Cap. Improv. SB9 - Local 31701	Ed Tech Equip Act Fund 31900	Debt Service Fund 41000	Ed Tech Debt Service Fund 43000	Total
Cash, June 30, 2018	\$ 340,100	\$ 7,400,000	\$ 30,526,660	\$ 10,203,206	111,004,677
Add:					
2018-19 revenues	11,860,709	11,302,974	31,852,701	10,811,240	235,109,607
Receipt of prior year loans	-	-	-	-	12,207,169
Loans from other funds	-	-	-	-	6,306,199
<b>Total cash available</b>	<b>12,200,809</b>	<b>18,702,974</b>	<b>62,379,361</b>	<b>21,014,446</b>	<b>364,627,652</b>
Less:					
2018-19 expenditures	(6,616,940)	(8,425,407)	(29,790,056)	(9,963,325)	(243,675,098)
Change in accruals	-	-	(50)	-	59,118
Repayment of loans	-	(3,540,386)	-	-	(12,207,169)
Loans to other funds	-	-	-	-	(6,227,359)
Change due to held checks and payroll liabilities	-	34,808	-	-	2,258,071
<b>Cash, June 30, 2019</b>	<b><u>\$ 5,583,869</u></b>	<b><u>\$ 6,771,989</u></b>	<b><u>\$ 32,589,255</u></b>	<b><u>\$ 11,051,121</u></b>	104,835,215
			Agency Funds	<u>1,101,846</u>	
			Total	<u>\$ 105,937,061</u>	

## COMPONENT UNIT

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY OF TECHNOLOGY AND CLASSICS  
STATEMENT OF NET POSITION  
JUNE 30, 2019

	Governmental Activities
<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 1,374,465
Accounts receivables	47,286
Prepaid expenses	129,946
<b>Total current assets</b>	1,551,697
<b>Non-current assets</b>	
Capital assets, net	4,830,465
<b>Total assets</b>	6,382,162
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to pensions and OPEB	1,874,671
<b>LIABILITIES</b>	
<b>Current liabilities</b>	
Accounts payable	25,075
Accrued salaries and benefits	(1,814)
Compensated absences	10,418
Mortgage payable	149,030
<b>Total current liabilities</b>	182,709
<b>Non-current liabilities</b>	
Net pension liability	7,316,736
Net OPEB liability	1,718,035
Mortgage payable	3,436,618
<b>Total non-current liabilities</b>	12,471,389
<b>Total liabilities</b>	12,654,098
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to pensions and OPEB	702,120
<b>NET POSITION</b>	
Net investment in capital assets	1,244,817
Restricted	446,332
Unrestricted (deficit)	(6,790,534)
<b>Total net position (deficit)</b>	\$ (5,099,385)

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Governmental activities</b>					
Instruction	\$ 2,906,675	\$ -	\$ 83,535	\$ -	\$ (2,823,140)
Support services					
Students	253,999	-	-	-	(253,999)
Instruction	1,728	-	-	-	(1,728)
General administration	239,056	-	-	-	(239,056)
School administration	133,346	-	-	-	(133,346)
Central services	231,464	-	-	-	(231,464)
Operation & maintenance of plant	242,993	-	-	-	(242,993)
Student transportation	-	-	-	-	-
Food services operation	38,000	37,020	-	-	(980)
Non-instructional support	-	-	-	-	-
Facilities materials, supplies and other	958,925	-	-	-	(958,925)
Interest/amortization	197,864	-	-	280,696	82,832
	<u>\$ 5,204,050</u>	<u>\$ 37,020</u>	<u>\$ 83,535</u>	<u>\$ 280,696</u>	<u>(4,802,799)</u>
			<b>General Revenues</b>		
			Property taxes		547,717
			State Equalization Guarantee		2,772,580
			Miscellaneous		804,787
			<b>Total general revenues</b>		<u>4,125,084</u>
			<b>Changes in net position</b>		<u>(677,715)</u>
			Net position, beginning (deficit)		(4,514,437)
			Restatement		92,767
			Net position, beginning, restated (deficit)		<u>(4,421,670)</u>
			<b>Net position - ending (deficit)</b>		<u>\$ (5,099,385)</u>

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2019**

	Operational Fund				Title I IASA 24101
	General* 11000	Instructional Materials* 14000	Food Services 21000	Athletics 22000	
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 696,695	\$ 9,535	\$ 1,722	\$ 818	\$ -
Accounts receivable	-	-	-	-	-
Due from other funds	47,282	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total current assets</b>	<u>\$ 743,977</u>	<u>\$ 9,535</u>	<u>\$ 1,722</u>	<u>\$ 818</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 11,145	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	(7,247)	-	-	-	-
Interfund payables	-	-	-	-	-
<b>Total current liabilities</b>	<u>3,898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Restricted	-	9,535	1,722	818	-
Unassigned	740,079	-	-	-	-
<b>Total fund balances</b>	<u>740,079</u>	<u>9,535</u>	<u>1,722</u>	<u>818</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ 743,977</u>	<u>\$ 9,535</u>	<u>\$ 1,722</u>	<u>\$ 818</u>	<u>\$ -</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
BALANCE SHEET -  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2019**

	IDEA-B Entitlement* 24106	Teacher / Principal Training & Recruiting* 24154	2012 GO Bond Student Library 27107	Excellence in Teaching 27125	Teacher and School Leader Incentive Pay 27188
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	35,730	11,556	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total current assets</b>	<u>\$ 35,730</u>	<u>\$ 11,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	4	-	-	-	-
Interfund payables	35,726	11,556	-	-	-
<b>Total current liabilities</b>	<u>35,730</u>	<u>11,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Restricted	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ 35,730</u>	<u>\$ 11,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
BALANCE SHEET -  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2019**

	School Leader Incentive Pay Group 27190	Private Dir Grants (Categorical) 29102	City/Country Grant 29107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ -	\$ 23,355	\$ 9,445	\$ 4,970	\$ -
Accounts receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total current assets</b>	<u>\$ -</u>	<u>\$ 23,355</u>	<u>\$ 9,445</u>	<u>\$ 4,970</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	-	-	-
<b>Total current liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Restricted	-	23,355	9,445	4,970	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>23,355</u>	<u>9,445</u>	<u>4,970</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 23,355</u>	<u>\$ 9,445</u>	<u>\$ 4,970</u>	<u>\$ -</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
BALANCE SHEET -  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2019**

	Capital Improvements HB-33* 31600	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local 31701	Education Technology 31900	ATC Foundation *	Total Governmental Funds
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 260,198	\$ 41,035	\$ 107,628	\$ 52,190	\$ 166,874	\$ 1,374,465
Accounts receivable	-	-	-	-	-	47,286
Due from other funds	-	-	-	-	-	47,282
Prepaid expenses	-	-	-	-	129,946	129,946
<b>Total current assets</b>	<u>\$ 260,198</u>	<u>\$ 41,035</u>	<u>\$ 107,628</u>	<u>\$ 52,190</u>	<u>\$ 296,820</u>	<u>\$ 1,598,979</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
<b>Current liabilities</b>						
Accounts payable	\$ 8,175	\$ -	\$ -	\$ 6,384	\$ (629)	\$ 25,075
Accrued payroll liabilities	4,199	-	-	-	1,230	(1,814)
Interfund payables	-	-	-	-	-	47,282
<b>Total current liabilities</b>	<u>12,374</u>	<u>-</u>	<u>-</u>	<u>6,384</u>	<u>601</u>	<u>70,543</u>
<b>FUND BALANCES</b>						
Restricted	247,824	41,035	107,628	-	-	446,332
Unassigned	-	-	-	45,806	296,219	1,082,104
<b>Total fund balances</b>	<u>247,824</u>	<u>41,035</u>	<u>107,628</u>	<u>45,806</u>	<u>296,219</u>	<u>1,528,436</u>
<b>Total liabilities and fund balances</b>	<u>\$ 260,198</u>	<u>\$ 41,035</u>	<u>\$ 107,628</u>	<u>\$ 52,190</u>	<u>\$ 296,820</u>	<u>\$ 1,598,979</u>

\* Major fund



**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 1,528,436
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	4,830,465
Pension and OPEB plans deferred outflows are not financial resources and, therefore, are not reported in the funds	1,874,671
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(10,418)
Accrued interest	-
Net pension and OPEB liability	(9,034,771)
Mortgage payable	(3,585,648)
Pension and OPEB plans deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds	<u>(702,120)</u>
<b>Net Position (Deficit) - Total Governmental Activities</b>	<b><u>\$ (5,099,385)</u></b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	Operational Fund			
	General*	Instructional	Food	Athletics
	11000	Materials* 14000	Services 21000	22000
<b>REVENUES</b>				
Interest income	\$ 17,457	\$ -	\$ -	\$ -
State grants	2,772,580	13,388	-	-
Federal grants	-	-	-	-
Property taxes	-	-	-	-
Miscellaneous income	54,962	-	37,020	362
<b>Total revenues</b>	<u>2,844,999</u>	<u>13,388</u>	<u>37,020</u>	<u>362</u>
<b>EXPENDITURES</b>				
Current				
Instruction	1,951,030	11,091	-	-
Support services				
Students	221,503	-	-	-
Instruction	1,728	-	-	-
General administration	233,659	-	-	-
School administration	133,346	-	-	-
Central services	213,987	-	-	-
Operation & maintenance of plant	199,815	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	38,000	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>2,955,068</u>	<u>11,091</u>	<u>38,000</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(110,069)</u>	<u>2,297</u>	<u>(980)</u>	<u>362</u>
<b>Net changes in fund balances</b>	<u>(110,069)</u>	<u>2,297</u>	<u>(980)</u>	<u>362</u>
Fund balances, beginning of year	850,148	7,238	2,702	456
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>850,148</u>	<u>7,238</u>	<u>2,702</u>	<u>456</u>
<b>Fund balances, end of year</b>	<u>\$ 740,079</u>	<u>\$ 9,535</u>	<u>\$ 1,722</u>	<u>\$ 818</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Title I IASA 24101	IDEA-B Entitlement 24106 *	Teacher / Principal Training & Recruiting 24154 *	2012 GO Bond Student Library 27107
<b>REVENUES</b>				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	17,477	(1)	-	-
Property taxes	-	-	-	-
Miscellaneous income	-	-	-	-
<b>Total revenues</b>	<u>17,477</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	17,477	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>17,477</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>

\* Major fund

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Excellence in Teaching 27125	Teacher and School Leader Incentive Pay 27188	School Leader Incentive Pay Group 27190	Private Dir Grants (Categorical) 29102
<b>REVENUES</b>				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Property taxes	-	-	-	-
Miscellaneous income	10,765	-	-	18,787
<b>Total revenues</b>	<u>10,765</u>	<u>-</u>	<u>-</u>	<u>18,787</u>
<b>EXPENDITURES</b>				
Current				
Instruction	10,765	-	-	4,417
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>10,765</u>	<u>-</u>	<u>-</u>	<u>4,417</u>
<b>Other financing sources (uses)</b>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,370</u>
<b>Net changes in fund balances</b>	-	-	-	14,370
Fund balances, beginning of year	-	-	-	8,985
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,985</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,355</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	City/Country Grant 29107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600
<b>REVENUES</b>				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	280,696	-	-
Federal grants	-	-	-	-
Property taxes	-	-	-	283,861
Miscellaneous income	9,445	-	-	-
<b>Total revenues</b>	<u>9,445</u>	<u>280,696</u>	<u>-</u>	<u>283,861</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	2,332
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	275,726	-	97,231
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>275,726</u>	<u>-</u>	<u>99,563</u>
<b>Other financing sources (uses)</b>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>9,445</u>	<u>4,970</u>	<u>-</u>	<u>184,298</u>
<b>Net changes in fund balances</b>	9,445	4,970	-	184,298
Fund balances, beginning of year	-	-	-	63,526
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,526</u>
<b>Fund balances, end of year</b>	<u>\$ 9,445</u>	<u>\$ 4,970</u>	<u>\$ -</u>	<u>\$ 247,824</u>

\* Major fund

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local* 31701	Education Technology 31900	ATC Foundation *	Total Governmental Funds
<b>REVENUES</b>					
Interest income	\$ -	\$ -	\$ -	\$ 68	\$ 17,525
State grants	-	-	-	-	3,066,664
Federal grants	-	-	-	-	71,109
Property taxes	30,902	232,954	-	-	547,717
Miscellaneous income	-	-	295,206	396,774	823,321
<b>Total revenues</b>	<b>30,902</b>	<b>232,954</b>	<b>295,206</b>	<b>396,842</b>	<b>4,526,336</b>
<b>EXPENDITURES</b>					
Current					
Instruction	-	-	-	-	1,998,439
Support services					
Students	-	-	-	-	253,999
Instruction	-	-	-	-	1,728
General administration	-	3,065	-	-	239,056
School administration	-	-	-	-	133,346
Central services	-	-	-	-	231,464
Operation & maintenance of plant	-	-	-	43,413	243,228
Student transportation	-	-	-	-	-
Food services operations	-	-	-	-	38,000
Capital outlay	9,282	279,083	257,874	-	919,196
Debt service					
Principal	-	-	-	142,993	142,993
Interest	-	-	-	197,864	197,864
<b>Total expenditures</b>	<b>9,282</b>	<b>282,148</b>	<b>257,874</b>	<b>384,270</b>	<b>4,399,313</b>
<b>Other financing sources (uses)</b>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>21,620</b>	<b>(49,194)</b>	<b>37,332</b>	<b>12,572</b>	<b>127,023</b>
<b>Net changes in fund balances</b>	<b>21,620</b>	<b>(49,194)</b>	<b>37,332</b>	<b>12,572</b>	<b>127,023</b>
Fund balances, beginning of year	19,415	156,822	8,474	283,647	1,401,413
Restatement	-	-	-	-	-
Fund balances, beginning of year, as restated	19,415	156,822	8,474	283,647	1,401,413
<b>Fund balances, end of year</b>	<b>\$ 41,035</b>	<b>\$ 107,628</b>	<b>\$ 45,806</b>	<b>\$ 296,219</b>	<b>\$ 1,528,436</b>

\* Major fund

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net changes in fund balances - total governmental funds	\$ 127,023
Charter pension and OPEB contributions	302,746
Additional GASB 68 and 75 pension and OPEB expenses	(1,210,983)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Capital outlays	149,118
Depreciation expense	(188,612)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Decrease in accrued compensated absences	-
Principal payments on debt	142,993
<b>Changes in Net Position - Total Governmental Activities</b>	<b><u>\$ (677,715)</u></b>

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF BUDGET COMPARISONS - BUDGETARY BASIS**  
**GENERAL FUND (11000)**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Interest Income	\$ 737	\$ 13,111	\$ 17,457	\$ 4,346
State grants	2,797,981	2,819,252	2,772,580	(46,672)
Federal grants	-	-	-	-
Miscellaneous	66,070	66,070	29,383	(36,687)
<b>Total revenues</b>	<u>2,864,788</u>	<u>2,898,433</u>	<u>2,819,420</u>	<u>(79,013)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	1,941,378	1,953,752	1,951,030	2,722
Support services				
Students	235,006	235,006	221,503	13,503
Instruction	4,500	4,500	1,728	2,772
General administration	229,747	229,747	233,659	(3,912)
School administration	135,486	135,486	133,346	2,140
Central services	151,681	209,793	208,381	1,412
Operation & maintenance of plant	185,988	216,677	199,815	16,862
Student transportation	-	-	-	-
Other support services	50,000	50,000	-	50,000
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>2,933,786</u>	<u>3,034,961</u>	<u>2,949,462</u>	<u>85,499</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(68,998)</u>	<u>(136,528)</u>	<u>(130,042)</u>	<u>6,486</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	(68,998)	(136,528)	(130,042)	(130,042)
Fund balances, beginning of year	<u>(25,774)</u>	<u>(25,774)</u>	<u>850,148</u>	<u>850,148</u>
<b>Fund balances, end of year</b>	<u>\$ (94,772)</u>	<u>\$ (162,302)</u>	<u>\$ 720,106</u>	<u>\$ 720,106</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			25,579	
Adjustments to expenditures			<u>(5,606)</u>	
<b>Changes in fund balances</b>			<u>\$ (110,069)</u>	

See Accompanying Notes.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF BUDGET COMPARISONS - BUDGETARY BASIS  
INSTRUCTIONAL FUND (14000)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Interest Income	\$ -	\$ -	\$ -	\$ -
State grants	13,388	14,204	13,388	(816)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>13,388</u>	<u>14,204</u>	<u>13,388</u>	<u>(816)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	13,388	14,204	11,091	3,113
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>13,388</u>	<u>14,204</u>	<u>11,091</u>	<u>3,113</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>2,297</u>	<u>2,297</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	-	-	2,297	-
Fund balances, beginning of year	<u>(10,770)</u>	<u>(10,770)</u>	<u>7,238</u>	<u>29,726</u>
<b>Fund balances, end of year</b>	<u>\$ (10,770)</u>	<u>\$ (10,770)</u>	<u>\$ 9,535</u>	<u>\$ 20,305</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<b>Changes in fund balances</b>			<u>\$ 2,297</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF BUDGET COMPARISONS - BUDGETARY BASIS  
IDEA-B ENTITLEMENT (24106)  
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Interest Income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	48,653	6,350	(42,303)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>48,653</u>	<u>6,350</u>	<u>(42,303)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	-	9,580	(9,580)
Support services				
Students	-	48,653	32,496	16,157
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>48,653</u>	<u>42,076</u>	<u>6,577</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(35,726)</u>	<u>(35,726)</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>(35,726)</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,726</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,726)</u>	<u>\$ (35,726)</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			35,726	
Adjustments to expenditures			<u>-</u>	
<b>Changes in fund balances</b>			<u>\$ -</u>	

See Accompanying Notes.

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF BUDGET COMPARISONS - BUDGETARY BASIS  
TEACHER/PRINCIPAL TRAINING RECRUITING FUND (24154)  
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<b>REVENUES</b>				
Interest Income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	11,556	-	(11,556)
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>11,556</u>	<u>-</u>	<u>(11,556)</u>
<b>EXPENDITURES</b>				
Current				
Instruction	-	11,556	11,556	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>11,556</u>	<u>11,556</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(11,556)</u>	<u>(11,556)</u>
<b>Other financing sources</b>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	<u>-</u>	<u>-</u>	<u>(11,556)</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,726</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,556)</u>	<u>\$ (11,556)</u>
<b>Reconciliation to GAAP Basis</b>				
Adjustments to revenues			11,556	
Adjustments to expenditures			<u>-</u>	
<b>Changes in fund balances</b>			<u>\$ -</u>	

See Accompanying Notes.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
JUNE 30, 2019**

**ASSETS**

Cash \$ 85,559

**Total assets** \$ 85,559

**LIABILITIES**

Accounts payable \$ 1,335

Deposits held in trust for others 84,224

**Total liabilities** \$ 85,559

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN**  
**LAST 10 FISCAL YEARS\* (UNAUDITED)**

Fiscal Year Measurement Date	<b>2019</b> <b>2018</b>	2018 2017	2017 2016	2016 2015	2015 2014
Charter's proportion of the net pension liability	<b>0.06153%</b>	0.06197%	0.06056%	0.06209%	0.10700%
Charter's proportionate share of the net pension liability	<b>\$ 7,316,736</b>	\$ 6,887,016	\$ 4,358,160	\$ 4,021,729	\$ 3,505,021
Charter's covered employee payroll	<b>\$ 1,860,810</b>	\$ 1,709,067	\$ 1,764,053	\$ 1,695,256	\$ 1,693,182
Charter's proportionate share of the net pension liability as a percentage of its covered employee payroll	<b>393%</b>	403%	247%	237%	207%
Plan fiduciary net position as a percentage of total pension liability	<b>52.17%</b>	52.95%	61.58%	63.97%	66.54%

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

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF THE CHARTER'S PENSION CONTRIBUTIONS**  
**EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN**  
**LAST 10 FISCAL YEARS\* (UNAUDITED)**

	June 30,				
	<b>2019</b>	2018	2017	2016	2015
Contractually required contributions	<b>\$ 265,461</b>	\$ 238,559	\$ 245,203	\$ 240,351	\$ 332,508
Contributions in relation to contractually required contributions	<b><u>\$ 265,461</u></b>	<u>\$ 238,559</u>	<u>\$ 245,203</u>	<u>\$ 240,351</u>	<u>\$ 332,508</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Charter's covered employee payroll	<b>\$1,860,810</b>	\$1,709,067	\$1,764,053	\$1,695,256	\$ 1,693,182
Contributions as a percentage of covered employee payroll	<b>14.27%</b>	13.96%	13.90%	14.18%	14.47%

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

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF**  
**THE NET OPEB LIABILITY**  
**RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN**  
**LAST 10 FISCAL YEARS\* (UNAUDITED)**

	Fiscal Year Measurement Date	<b>2019</b> <b>2018</b>	2018 2017
		<hr/>	<hr/>
Charter's proportion of the net OPEB liability		<b>0.03951%</b>	0.04111%
Charter's proportionate share of the net OPEB liability		<b>\$ 1,718,035</b>	\$ 1,862,971
Charter's covered-employee payroll		<b>\$ 1,695,223</b>	\$ 1,712,498
Charter's proportionate share of the net OPEB liability as a percentage of its covered employee payroll		<b>101.35%</b>	108.79%
RHCA Plan fiduciary net position as a percentage of the total pension liability		<b>13.14%</b>	11.34%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Charter will present information for available years. Complete information for the Charter is not available prior to 2018, the year the statement's requirements became effective.

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF OPEB CONTRIBUTIONS**  
**RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN**  
**LAST 10 FISCAL YEARS\* (UNAUDITED)**

	June 30,	
	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ <b>61,741</b>	\$ 130,543
Contributions in relation to the contractually required	<u>\$ <b>60,987</b></u>	<u>\$ 65,518</u>
Charter's proportion of the net OPEB liability	<u>\$ <b>754</b></u>	<u>\$ 65,025</u>
Employer's covered employee payroll	\$ <b>1,695,223</b>	\$ 1,712,498
Contributions as a percentage of covered employee payroll	<b>3.60%</b>	3.83%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Charter will present information for available years. Complete information for the Charter is not available prior to fiscal year 2018, the year the statement's requirements became effective.



STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND THE CLASSICS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
JUNE 30, 2019

**ERB PLAN**

***Changes in benefit provisions.*** There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2018.

***Changes in assumptions and methods.*** There were no modifications to the actuarial assumptions and methods reflected in the actuarial valuation at June 30, 2018.

**RHCA Plan**

***Changes in benefit provisions.*** There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2018.

***Changes in assumptions and methods.*** The actuary removed 4,010 members that were deemed participants of non-participating employers. There were no other modifications to the assumptions and methods that were reflected in the actuarial valuation at June 30, 2018.

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF CHANGES IN FIDUCIARY**  
**ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
<b>ASSETS</b>				
Cash in bank	\$ 74,345	\$ 140,477	\$ (129,263)	\$ 85,559
<b>Total assets</b>	<u>\$ 74,345</u>	<u>\$ 140,477</u>	<u>\$ (129,263)</u>	<u>\$ 85,559</u>
 <b>LIABILITIES</b>				
Accounts payable	\$ 2,760	\$ -	\$ (1,425)	\$ 1,335
Deposits held for others	<u>71,585</u>	<u>140,477</u>	<u>(127,838)</u>	<u>84,224</u>
<b>Total liabilities</b>	<u>\$ 74,345</u>	<u>\$ 140,477</u>	<u>\$ (129,263)</u>	<u>\$ 85,559</u>

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR PUBLIC FUNDS**  
**JUNE 30, 2019**

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value June 30, 2019	Name & Location of Safekeeper
Los Alamos National Bank	FMAC 3.500% 11/2032	\$ 1,092,246	LANB
		<u>\$ 1,092,246</u>	

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS**  
**JUNE 30, 2019**

<u>Bank Account Type</u>	<u>Amount</u>
Enterprise-Operational Checking	\$ 1,294,682
Petty Cash	-
Foundation	
Enterprise-Checking and Savings	\$ 28,313
Enterprise-lockbox	131,236
Charles Schwab	<u>2,513</u>
<b>Total</b>	162,062
Reconciling Items	<u>3,280</u>
<b>Reconciled balance, June 30, 2019</b>	1,460,024
Less: Agency Funds	<u>85,559</u>
<b>Total governmental funds</b>	<u><u>\$ 1,374,465</u></u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF CASH RECONCILIATION  
JUNE 30, 2019**

	Operational Account 11000	Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000
Cash, June 30, 2018	\$ 877,227	\$ 7,238	\$ 2,702	\$ 456
Add:				
2018-19 revenues	2,844,999	13,388	37,020	362
Repayment of loans	-	-	-	-
Loans from other funds	-	-	-	-
Cash reclassified	-	-	-	-
<b>Total cash available</b>	<b>3,722,226</b>	<b>20,626</b>	<b>39,722</b>	<b>818</b>
Less:				
2018-19 expenditures	(2,949,462)	(11,091)	(38,000)	-
Repayment of loans	-	-	-	-
Change in accruals	(28,787)	-	-	-
Loans to other funds	(47,282)	-	-	-
Change due to held checks and liabilities	-	-	-	-
<b>Cash, June 30, 2019</b>	<b>\$ 696,695</b>	<b>\$ 9,535</b>	<b>\$ 1,722</b>	<b>\$ 818</b>

**STATE OF NEW MEXICO**  
**SANTA FE PUBLIC SCHOOLS**  
**ACADEMY FOR TECHNOLOGY AND CLASSICS**  
**SCHEDULE OF CASH RECONCILIATION (CONTINUED)**  
**JUNE 30, 2019**

	Non-Instruction Account 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Cash, June 30, 2018	\$ -	\$ -	\$ -	\$ -
Add:				
2018-19 revenues	-	23,827	-	-
Repayment of loans	-	-	-	-
Loans from other funds	-	47,282	-	-
Cash reclassified	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total cash available</b>	-	71,109	-	-
Less:				
2018-19 expenditures	-	(71,109)	-	-
Repayment of loans	-	-	-	-
Change in accruals	-	-	-	-
Loans to other funds	-	-	-	-
Change due to held checks and liabilities	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Cash, June 30, 2019</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000	Bond Building 31100
Cash, June 30, 2018	\$ -	\$ -	\$ 8,985	\$ -
Add:				
2018-19 revenues	10,765	-	28,232	-
Repayment of loans	-	-	-	-
Loans from other funds	-	-	-	-
Cash reclassified	-	-	-	-
	<u>10,765</u>	<u>-</u>	<u>37,217</u>	<u>-</u>
<b>Total cash available</b>	<b>10,765</b>	<b>-</b>	<b>37,217</b>	<b>-</b>
Less:				
2018-19 expenditures	(10,765)	-	(4,417)	-
Repayment of loans	-	-	-	-
Change in accruals	-	-	-	-
Loans to other funds	-	-	-	-
Change due to held checks and liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash, June 30, 2019</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 32,800</u></b>	<b><u>\$ -</u></b>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvement HB 33 31600	Cap. Improv. SB9 State 31700
Cash, June 30, 2018	\$ -	\$ -	\$ 65,754	\$ 19,415
Add:				
2018-19 revenues	280,696	-	283,861	30,902
Repayment of loans	-	-	-	-
Loans from other funds	-	-	-	-
Cash reclassified	-	-	-	-
	<u>280,696</u>	<u>-</u>	<u>349,615</u>	<u>50,317</u>
<b>Total cash available</b>	<b>280,696</b>	<b>-</b>	<b>349,615</b>	<b>50,317</b>
Less:				
2018-19 expenditures	(275,726)	-	(91,390)	(9,282)
Repayment of loans	-	-	-	-
Change in accruals	-	-	1,973	-
Loans to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change due to held checks and liabilities	-	-	-	-
<b>Cash, June 30, 2019</b>	<b><u>\$ 4,970</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 260,198</u></b>	<b><u>\$ 41,035</u></b>



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
ACADEMY FOR TECHNOLOGY AND CLASSICS  
SCHEDULE OF CASH RECONCILIATION (CONTINUED)  
JUNE 30, 2019**

	Cap. Improv. SB9 Local 31701	Education Technology Account 31900	Activity Funds	Total
Cash, June 30, 2018	\$ 156,822	\$ 8,474	\$ 74,345	\$ 1,221,418
Add:				
2018-19 revenues	232,953	295,206	140,476	4,222,688
Repayment of loans	-	-	-	-
Loans from other funds	-	-	-	47,282
Cash reclassified	-	-	-	-
<b>Total cash available</b>	<b>389,775</b>	<b>303,680</b>	<b>214,821</b>	<b>5,491,388</b>
Less:				
2018-19 expenditures	(282,147)	(251,490)	(127,837)	(4,122,717)
Repayment of loans	-	-	-	-
Change in accruals	-	-	(1,425)	(28,239)
Loans to other funds	-	-	-	(47,282)
Change due to held checks and liabilities	-	-	-	-
<b>Cash, June 30, 2019</b>	<b><u>\$ 107,628</u></b>	<b><u>\$ 52,190</u></b>	<b><u>\$ 85,559</u></b>	<b><u>\$ 1,293,150</u></b>

**COMPLIANCE SECTION**



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

The Board of Education  
Santa Fe Public Schools  
Santa Fe, New Mexico and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor  
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of the Santa Fe Public Schools (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents. We have also audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the discretely presented component unit, presented as supplementary information, as defined by the Governmental Accounting Standards Board (GASB) as of and for the year ended June 30, 2019, as listed in the Table of Contents, and have issued our report thereon dated November 15, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in

The Board of Education  
Santa Fe Public Schools and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor

internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2019-001 and 2019-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2019-003, 2019-004, 2019-005, 2019-006, and 2019-007.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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, non-compliance 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 no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that are required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying Schedule of Section 12-6-5 NMSA Findings as items 2019-008, 2019-009, 2019-010, 2019-011, and 2019-012.

### **District's Response to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 15, 2019

**FEDERAL FINANCIAL ASSISTANCE**



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

The Board of Education  
Santa Fe Public Schools  
Santa Fe, New Mexico and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor  
Santa Fe, New Mexico

**Report on Compliance for Each Major Federal Program**

We have audited Santa Fe Public Schools' (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. 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 law's 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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.

The Board of Education  
Santa Fe Public Schools and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor

### **Opinion on Each of the Major Federal Programs**

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 other major federal programs for the year ended June 30, 2019.

### **Other Matters**

The results of our auditing procedures disclosed instances of non-compliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as items 2019-004, 2019-005, 2019-006, and 2019-007. Our opinion on each major federal program is not modified with respect to these matters.

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

### **Report on Internal Control Over Compliance**

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

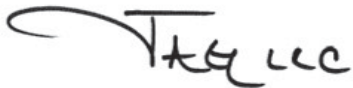
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material non-compliance 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.

The Board of Education  
Santa Fe Public Schools and  
Mr. Brian Colón, Esq.  
New Mexico State Auditor

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2019-004, 2019-005, 2019-006, and 2019-007 that we consider to be a significant deficiency.

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

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

A handwritten signature in black ink, appearing to read "JAG LLC", with a large, stylized flourish at the beginning.

Jaramillo Accounting Group LLC (JAG)  
Albuquerque, New Mexico  
November 15, 2019



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

Federal Grantor or Pass-Through Grantor / Program Title	Federal CFDA	Pass-through Number	Passed Through to Subrecipients	Federal Expenditures
<b>U.S. Department of Education</b>				
Indian Education Grants to Local Educational Agencies	84.060		\$ -	\$ 81,153
Pass-through State of New Mexico Public Education Department Title I Grants to Local Educational Agencies	84.010	24101/24162/24190/24193	17,477	3,696,802
<i>Special Education Cluster</i>				
Special Education Grants to States	84.027	24106/24108/24115/24132	42,077	2,816,630
Special Education Preschool Grants	84.173	24109	-	21,962
<i>Total Special Education Cluster</i>			<u>42,077</u>	<u>2,838,592</u>
Education for Homeless Children and Youth	84.196	24113	-	57,919
21st Century Community Learning Centers	84.287	24119	-	1,065,143
English Language Acquisition State Grants	84.365	24153	-	237,930
Supporting Effective Instruction State Grants	84.367	24154	-	481,093
Student Support and Academic Enrichment Program	84.424	24189	-	144,978
Career and Technical Education - Basic Grants to States	84.048	24171/24174/24176	-	162,615
Subtotal - Pass-through State of New Mexico PED			<u>59,554</u>	<u>8,685,072</u>
Pass-through State of New Mexico Higher Education Department Gaining Early Awareness and Readiness for Undergraduate Program:	84.334	25205	-	237,839
<b>Total U.S. Department of Education</b>			<u>59,554</u>	<u>9,004,064</u>
<b>U.S. Department of Agriculture</b>				
<i>Child Nutrition Cluster</i>				
Pass-through State of Children, Youth, and Families Department Summer Food Service Program for Children	10.559	21000	-	228,865
Pass-through State of New Mexico Public Education Department School Breakfast Program	10.553	21000	-	1,131,448
National School Lunch Program	10.555	21000	-	3,728,148
Pass-through State of New Mexico Human Services Department Non-Cash Assistance National School Lunch Program (Commodities)	10.555	21000	-	437,929
<i>Total Child Nutrition Cluster</i>			<u>-</u>	<u>5,526,390</u>
Rural Development, Forestry and Communities	10.672		-	38,965
<b>Total U.S. Department of Agriculture</b>			<u>-</u>	<u>5,565,355</u>
<b>U.S. Department of Health and Human Services</b>				
Pass-through State of New Mexico Department of Health Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	24186	-	-
Drug-Free Communities Support Program Grants	93.276	25181	-	116,221
<b>Total U.S. Department of Health and Human Services</b>			<u>-</u>	<u>116,221</u>
<b>U.S. Department of Defense</b>				
ROTC Language and Culture Training Grants	12.357		-	89,646
<b>U.S. Department of Interior</b>				
Indian Education Assistance to Schools	15.130		-	27,691
<b>Total Federal Financial Assistance</b>			<u>\$ 59,554</u>	<u>\$ 14,802,977</u>

See Notes to Schedule of Expenditures  
of Federal Awards.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Santa Fe Public Schools (District) under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in financial position of the District.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3. SUBRECIPIENTS**

During the year ended June 30, 2019, the District had the following subrecipients:

Academy for Technology and the Classics Charter (Component Unit)	84.010	Title I	\$17,477
Academy for Technology and the Classics Charter (Component Unit)	84.027	IDEA-B	\$42,077

**NOTE 4. NONCASH FEDERAL ASSISTANCE**

The District receives USDA Commodities for use in sponsoring the National School Lunch program. Per USDA guidance (FPI-18-2), donated USDA commodities should be grouped with the National School Lunch Program and use the same CFDA number as the National School Lunch Program. The value of commodities received for the year ended June 30, 2019 was \$437,929. Commodities are recorded as revenues and expenditures in the Food Service fund.

**NOTE 5. INDIRECT COST RATE**

During the year ended June 30, 2019, the New Mexico Public Education Department reimbursed the District for indirect costs at 1.82%.

**NOTE 6. RECONCILIATION OF FEDERAL REVENUE TO FEDERAL EXPENDITURES**

Federal expenditures as reported on Schedule of Expenditure of Federal Awards	\$ 14,802,977
District as contractor relationship:	
Medicaid (Fund 25153)	1,949,465
Indirect cost recovery (Fund 11000)	154,815
Advance reimbursement grant (ROTC - Fund 25200)	<u>11,087</u>
Federal revenue as reported in the financial statements	<u>\$ 16,918,344</u>

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2019**

<b>Finding No.</b>	<b>Description</b>	<b>Current Year Status</b>
<b>PRIMARY GOVERNMENT SANTA FE PUBLIC SCHOOLS</b>		
<b>Financial Statement Findings</b>		
2015-003	Inventory Balance	Resolved
2016-002	Certification of Capital Asset Inventory and Capitalization Threshold	Resolved
2017-001	Internal Controls Over Cash Receipts & Segregation Of Duties	Resolved
2018-004	Bank Reconciliations and Clearing Accounts	Repeated and modified
2018-005	Training and Experience (T&E) State Audit and Findings	Resolved
<b>Federal Awards Findings</b>		
2017-003	21 <sup>st</sup> Century Payroll	Repeated and modified
2018-007	Student Nutrition Verification	Repeated and modified
<b>Section 12-6-5 NMSA 1978 Findings</b>		
2016-005	Budgetary Conditions	Resolved
2017-004	Compliance with School Personnel Act	Repeated and modified
<b>COMPONENT UNIT ACADEMY FOR TECHNOLOGY &amp; THE CLASSICS CHARTER SCHOOL</b>		
<b>Financial Statement Findings</b>		
2016-002A	IT General Controls	Resolved
2016-004A	Bank Reconciliations	Repeated and modified
2017-004A	Internal Controls Over Cash Receipts	Resolved
2017-005A	Internal Controls Over Cash Disbursements	Repeated and modified
2017-007A	Internal Controls Over Payroll	Resolved
2017-008A	Chief Procurement Officer	Resolved
2018-007A	Financial Close and Reporting – PP Restatement	Resolved
<b>Section 12-6-5 NMSA 1978 Findings</b>		
2015-001A	Budgetary Conditions	Repeated and modified

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019

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**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

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**Financial Statement:**

- |  |            |
|--|------------|
| 1. Type of auditor’s report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weakness identified?   | Yes        |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes        |
| c. Non-compliance material to financial statements noted?                        | No         |

**Federal Awards:**

- |   |            |
|---|------------|
| 1. Internal control over major programs:  |            |
| a. Material weakness identified?  | No         |
| b. Significant deficiencies identified not considered to be material weaknesses?                              | Yes        |
| 2. Type of auditor’s report issued on compliance for major programs   | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? | No         |

4. Identification of major programs:

<u>CFDA Number</u>	<u>Federal Program</u>
84.010	Title I Grants to Local Educational Agencies
84.027 / 84.173	Special Education Cluster

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**SECTION II A - FINANCIAL STATEMENT FINDINGS - DISTRICT**

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**2019-001 INTERNAL CONTROL OVER FINANCIAL CLOSE AND REPORTING - DISTRICT**

**TYPE OF FINDING:** Material Weakness

**CONDITION**

During the fiscal year, there was turnover in key Finance employees. Although the District is committed to training these employees, hiring new employees, and implementing changes in systems, the timing made it difficult to accomplish. As a result, during the course of the audit, we identified that the District's year-end financial close and reporting process has the following weaknesses:

- The capital asset roll-forward starting with prior year financial statement balances and capital asset depreciation schedules were not timely produced timely after year-end. Current year additions and deletions to the schedule and transfers from Construction in Progress (CIP) had not been performed, and capital outlay had not been reconciled.
- Long term debt roll-forward was not performed by the District-the audit team performed this procedure, which was reviewed by the District.
- Year-end investment balances were not properly reconciled and not all current year investment activity was properly recorded, which required a \$5 million audit adjustment to correct.
- Cash accounts were again not properly reconciled during the year (Finding 2019-008) and required hiring an outside contractor and a \$2 million adjustment to correct.
- The District provided incomplete and inaccurate Accounts Receivable listings and subsequent receipts population reports. This resulted in our identification of over \$4 million in audit adjustments to the funds.
- It appears reconciliation of requests for reimbursement (RfRs) for federal funds is not performed timely and the District did not prepare the Schedule of Expenditures of Federal Awards (SEFA) timely.
- The District was unable to find out from NM PED how to record their debt and asset transactions for construction of the campus expansion at ATC Charter School. The construction costs on the uncompleted project are recorded in the District's CIP, pending resolution of this matter.
- The NM Energy Efficiency Bond debt transactions were incorrectly reported (in FY 17-18)-the District recorded State Grant revenues rather than bond proceeds.
- The District did not provide journal entries to rollforward fund balances and net assets on the modified accrual and full accrual basis.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION II A - FINANCIAL STATEMENT FINDINGS (CONTINUED) - DISTRICT (CONTINUED)**

**2019-001 INTERNAL CONTROL OVER FINANCIAL CLOSE AND REPORTING - DISTRICT (CONTINUED)**

**CRITERIA**

NMAC 6.20.2.12 requires that the District “create and maintain ... financial reports which facilitate the discharge of assigned responsibilities and monitors activities at each level of the organizational structure.”

New Mexico Manual of Procedures for Public School Accounting and Budget (PSAB), Supplement 5, Financial Statements. “The financial statements are the responsibility of the district. The IPA must provide the adjusting entries and supporting documentation to the district for any differences between the district’s records and the financial reports in the audit. The district should review and approve the audit draft prior to it being submitted to the state auditor.”

The State Auditor Rule (2.2.2, NMAC) requires the school district to maintain adequate accounting records to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP), and cooperate with the Independent Public Accountant (IPA) by providing in a timely manner the information required to express an opinion on the agency’s financial statements. Districts should familiarize themselves with the contents of the annual audit. If the IPA prepares the financial statements, this fact must be disclosed in notes to the financial statements and may result in an audit finding if there is “ineffective oversight of the financial reporting and internal control processes by those charged by governance.” (Statement of Auditing Standards, SAS 115).

Financial Standards for New Mexico Public Schools and School Districts, 6.20.2.14 NMAC. “In accordance with GASB 34, school districts shall use a full accrual basis of accounting in preparation of annual financial statements and cash basis of accounting for budgeting and reporting.”

New Mexico Manual of Procedures for Public School Accounting and Budget (PSAB), Supplement 2, Internal Control Structure. “The Financial Management System (FMS) generally produces reports containing operational, financial, and compliance related information recorded on a cash basis of accounting, making it possible to efficiently manage the cash functions of the school district. Additional software is generally needed to convert from a cash basis to an accrual basis of accounting required by Generally Accepted Accounting Practices (GAAP) and Generally Accepted Governmental Auditing Standards (GAGAS).

**EFFECT**

There were material misstatements in the fund trial balances, and information submitted to PED. Additionally, bank reconciliations are key elements of internal control used to detect errors and to protect the assets of the District.

**CAUSE**

Turnover of key employees, lack of training, and ineffective internal controls relating to the financial close and reporting process.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION II A - FINANCIAL STATEMENT FINDINGS (CONTINUED) - DISTRICT (CONTINUED)**

**2019-001 INTERNAL CONTROL OVER FINANCIAL CLOSE AND REPORTING - DISTRICT (CONTINUED)**

**RECOMMENDATION**

We recommend management evaluate all aspects of the financial close and reporting process and establish effective internal controls and procedures to ensure timely and accurate financial statements and supporting schedules. We highly recommend in-depth training on governmental accounting standards and systems such as GASB and COSO. We also recommend that the District track and record modified and full accrual entries separately for financial reporting purposes. Finally, we recommend reconciling all balance sheet accounts by fund every month and performing analytical reviews of the income statements within a week of the close of the previous month.

**MANAGEMENT RESPONSE**

Santa Fe Public Schools management worked diligently with the auditing firm to maintain milestones during the audit process. During audit committee meetings some items were identified as pending or not sufficient. However, progress was not deemed as a deficiency during audit committee meetings. Internal procedures have been developed to compile documentation related to reconciling worksheets, listings, and transactions that are required to maintain the quality of the audit process.

**Corrective Action:** The District will implement the following plan:

1. Develop a work plan for the audit process; include milestones and timelines for completion.
2. Compile documentation, worksheets, and draft templates during fiscal year prior to fiscal year end.
3. Timely review and submission of documents to auditor portal.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Chief Finance Director

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION II A - FINANCIAL STATEMENT FINDINGS (CONTINUED) - DISTRICT (CONTINUED)**

**2019-002 (PREVIOUSLY REPORTED AS 2018-004) BANK RECONCILIATIONS AND CLEARING ACCOUNTS - DISTRICT - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Material Weakness

**CONDITION**

During our cash testing, we noted the following exceptions:

- The District did not reconcile and adjust all cash accounts monthly.
- The District did not have cash balances and schedules ready for audit timely.
- The payroll clearing account had not been reconciled properly during the fiscal year; the District contracted assistance for reconciling which led to an audit journal entry net total of over \$2 million.
- Investment accounts were overstated by \$5 million due to improper recording of transfer from the investment accounts to the checking accounts.
- The net unlocated difference in cash accounts, in aggregate, is \$52,604 (cash is under stated).

The District made limited progress in this area during FY19.

**CRITERIA**

NMAC 6.20.2.11 states that every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Per 6.20.2.11(B)(6) NMAC, and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger. Per the New Mexico State Audit Rule, the audit report of each school district shall include a cash reconciliation schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.

Per 6.20.2.14(G) NMAC, "clearing accounts or pooled accounts may be used to combine more than one fund in one bank account. Clearing accounts shall reconcile to a zero balance at the end of each month. Bank reconciliations for clearing accounts shall be completed on a monthly basis."

**EFFECT**

The District is not in compliance with laws and regulations. The audit could have been late.

**CAUSE**

The District experienced turnover in the Finance Department during the year. The District's controls over account reconciliations, review, and approval are not properly designed and implemented.



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION II A - FINANCIAL STATEMENT FINDINGS (CONTINUED) - DISTRICT (CONTINUED)**

**2019-002 (PREVIOUSLY REPORTED AS 2018-004) BANK RECONCILIATIONS AND CLEARING ACCOUNTS - DISTRICT - REPEATED AND MODIFIED (CONTINUED)**

**RECOMMENDATION**

We recommend the District fully staff Finance positions, highly train the staff, and develop monthly close processes including a strong review and approval process.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. Variances of cash were a direct result of transactions between banks or journal entries incorrectly posted to reduce payroll liabilities and cash. These variances will be reviewed and reconciled according to bank reconciliation procedures.

**Corrective Action:** The District will implement the following plan:

1. Cross-functional training within Business Services to make the process more efficient, transparent and captures issues as they arise.
2. Management review of the work of the Comptroller, including renewed effort to enforce the requirement of signing off on all bank reconciliations on a monthly basis.
3. Timely submission of all bank transfers between accounts.
4. Implementation of procedures to properly process year end closing transactions.

**Due Date of Completion:** June 30, 2020

**Responsible Person:** Chief Financial Officer, Comptroller

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019

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SECTION II B - FINANCIAL STATEMENT FINDINGS - COMPONENT UNIT FINDINGS

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**2019-003 (PREVIOUSLY REPORTED AS 2018-002A AND 2016-004A) BANK RECONCILIATIONS - ATC  
CHARTER - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Significant Deficiency

**CONDITION**

While progress was made on the timeliness of bank reconciliations, unreconciled differences between the general ledger and bank reconciliations existed on the months tested (March through June 2019). Through the audit testing, we identified that rent for June was recorded twice and the bank reconciliation process failed to detect the error, which was discovered by the audit process. The unreconciled differences in the operating account were reduced to \$2,032.

**CRITERIA**

Per NMAC 6.20.2.14 (K), all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent for business administration.

**EFFECT**

The School could be misstating revenues and expenses when reporting budget amounts to the department and misstating the cash balance in its quarterly cash reports submitted to the department.

**CAUSE**

Bank reconciliations were not properly performed.

**RECOMMENDATION**

We recommend the School reconcile bank accounts monthly to the general ledger and that all reconciliations be properly reviewed.

**MANAGEMENT RESPONSE**

**Corrective Action:** We acknowledge there is a problem with the general ledger and bank balances and believe the problems have been remedied.

**Due Date of Completion:** Completed - bank reconciliations are being done on a monthly basis.

**Responsible Party:** Finance Director

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT**

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**2019-004 (PREVIOUSLY REPORTED AS 2018-006 AND 2017-003) 21<sup>ST</sup> CENTURY PAYROLL - DISTRICT - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Significant Deficiency/Non-Compliance

*Federal program information:*

Funding agency: U.S. Department of Education  
Title: Twenty-First Century Learning Centers  
CFDA Number: 84.287

**CONDITION**

During our Allowable Costs testing, we noted that overtime is charged to the grant without required documentation in the employees' personnel files describing how overtime will be paid. Employees did not sign agreement forms in 2019.

The District did not make progress on this finding in fiscal years 2018 and 2019.

**CRITERIA**

Statutory language on computing overtime pay in §778.415 through §778.421 allows flexibility. However, rates for overtime need to be agreed upon before performance of the work.

Twenty-first CCLC funds must be used in a manner consistent with all requirements of the Educational Department General Administrative Regulations (EDGAR), and 2 CFR 200, to support activities allowable under the 21<sup>st</sup> CCLC program. Expenditures should be pre-approved in the Budget Justification Form submitted to and approved by the PED prior to receiving the fully executed IGA/PSC for the current year, or pre-approved by submitting a budget adjustment request (BAR).

**QUESTIONED COSTS**

None

**EFFECT**

Additional compensation which is not supported with documentation showing hourly rates that will be paid and overtime rates that will be paid could be legally challenged. The expenses may not be in compliance with the planning and budgeting for expenditures and the deliverables in the Statement of Work agreement between the District and the New Mexico Public Education Department.

**CAUSE**

The District has a computerized system that builds a blended rate when two different hour rates are paid. A decision was made to discontinue use of blended rate and pay the highest rate for overtime purposes. This is allowable, but overtime rates need to be agreed upon, documented, and approved in writing before the work is performed.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-004 (PREVIOUSLY REPORTED AS 2018-006 AND 2017-003) 21<sup>ST</sup> CENTURY PAYROLL - DISTRICT - REPEATED AND MODIFIED (CONTINUED)**

**RECOMMENDATION**

We recommend maintaining agreements with employees' pay rates for additional compensation and overtime in the personnel files.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. All non-contractual pay will be planned and agreements will be established to ensure proper calculation of overtime.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Have every employee who agrees to hourly work for a supplemental program sign an agreement that specifies the methodology they will be paid overtime, if applicable.
2. Ensure all applications to PED include overtime as part of the budget.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Human Resources

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-005 (PREVIOUSLY REPORTED AS 2018-007) STUDENT NUTRITION VERIFICATION - DISTRICT - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Significant Deficiency/Non-Compliance

*Federal program information:*

Funding agency: U.S. Department of Agriculture

Title: School Breakfast Program, National School Lunch Program

CFDA Number: 10.553, 10.555

**CONDITION**

The District is not verifying applications that are submitted to the District with household income reported as zero. It was determined that the District accepts the applications, students are classified as free, and no subsequent verification is completed. The District violates Federal regulation by not completing verifications for cause.

The District did make significant progress on this finding. Verification calculation and completion issues discussed in the 2018 finding appear to be resolved in 2019.

**CRITERIA**

Children belonging to households meeting nationwide income eligibility requirements may receive meals at no charge or a reduced price. By November 15<sup>th</sup> of each school year, the District must verify the current free and reduced price eligibility of households from a sample of applications that it has approved for free and reduced price meals.

Per CFR 245 6a (c) (7), in addition to the required verification sample, the District must verify any questionable applications, and should, on a case-by-case basis when the District is aware of additional income or persons in the household, verify any application for cause, such as an application where a household reports zero income.

**QUESTIONED COSTS**

None

**EFFECT**

The District is not in compliance with program requirements. The proper use of Federal money in this program is fully dependent on the District correctly calculating income reported on applications, completing the required list of verifications, and questioning applications when required by Federal regulation. The result of improper classifications allows students to receive free and reduced meals when families do not qualify for benefits, and the District receives improper reimbursement amounts from Federal programs for the meals provided.

**CAUSE**

The District's continued non-compliance in this area results from not following federal regulations to verify questionable applications.

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-005 (PREVIOUSLY REPORTED AS 2018-007) STUDENT NUTRITION VERIFICATION - DISTRICT - REPEATED AND MODIFIED (CONTINUED)**

**RECOMMENDATION**

Although there are differing political philosophies, the CFR criteria has remained the same and must be followed. We recommend the District develop procedures to flag questionable applications in addition to the required verification sample and complete verification for cause as required. This cannot delay approval of applications. If an application is complete and indicates the child is eligible for free or reduced price benefits, the application must be approved while the District begins verification for cause.

**MANAGEMENT RESPONSE**

While every effort is made to process student meal applications with the highest level of accuracy, these findings indicate a need for review of internal processes. The District maintains records of applications submitted as required by the USDA Food and Nutrition Bureau. To ensure compliance related to eligibility the District utilizes a reasonable cause determination for further verification of applications. The District does not apply a blanket approach for verification; rather a case by case inquiry is used as a practical approach for verification. In order to maintain accurate representation of its review procedures the District will develop a risk assessment to determine an exhaustive review of applications.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Determine the District's authority and ability to determine the income levels of individual households.
2. Develop a rubric that outlines criteria of verification for cause of inaccurate information submitted by individuals.
3. Identify applications listed as zero income and determine a reasonable cause for review on a case-by-case basis.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Finance and Administration, Payroll Specialist

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-006 TITLE I AND SPECIAL EDUCATION PAYROLL - DISTRICT**

**TYPE OF FINDING:** Significant Deficiency/Non-Compliance

*Federal program information:*

Funding agency: U.S. Department of Education

Title: Title I

Special Education Cluster

CFDA Number: 84.010, 84.027, 84.173

**CONDITION**

During our Allowable Costs testing, we noted that summer teaching and diagnostic work, overtime, stipends, training, and other time is charged to the grants without required documentation in the employees' personnel files. Rates of pay vary for staff depending on the work being completed with no justification as to how the rates are determined and no documentation in the employee files as to how much pay is Federal related. Contracts are processed late in violation of the School Personnel Act. Several pay periods were processed prior to return of signed contracts.

In Special Education testing, two individuals were paid for June 2018 diagnostic work using 2019 funds and one individual was paid for stipends from 2018 in 2019. The diagnostic work in the summer is charged at \$400 to \$600 per evaluation. Overtime was charged to the grant without documentation on how the overtime rate will be paid. Three individuals had pay rates from \$42.88 to \$44.58 per hour for federal work and were unsupported as to why they were paid so much for the service provided. Stipends and contact teacher amounts are mentioned in the Collective Bargaining Agreement, but nothing is in the personnel files.

From testing of the Title I program, one 2018-2019 contract was not returned with no repercussion. Contracts were not created for 8 of the 40 staff that were tested, to include tutors, district instructional coaches, and some specialists. One staff contract base grew \$11,000 from FY17-18 to FY18-19, but no FY18-19 contract was in the file. The same staff was paid \$45.41 per hour and two staff were paid \$40.36 per hour for federal work at a rate almost one and one-half their regular pay. Rate is determined by payroll. In one case, a reimbursement was completed shorting the employee one-half hour.

**CRITERIA**

Statutory language on computing overtime pay in §778.415 through §778.421 allows flexibility. However, rates for overtime need to be agreed upon before performance of the work.

Title I and Special Education funds must be used in a manner consistent with all requirements of the Educational Department General Administrative Regulations (EDGAR) and 2 CFR 200, to support activities allowable under the respective programs. Expenditures should be pre-approved in the Budget Justification Form submitted to and approved by the PED prior to receiving the fully executed IGA/PSC for the current year, or pre-approved by submitting a budget adjustment request (BAR).

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-006 TITLE I AND SPECIAL EDUCATION PAYROLL - DISTRICT (CONTINUED)**

**QUESTIONED COSTS**

None

**EFFECT**

Additional compensation should be supported with documentation showing hourly rates that will be paid and overtime rates that will be paid. The expenses should be supported by the planning and budgeting for expenditures and the deliverables in the agreements between the District and the New Mexico Public Education Department.

**CAUSE**

The District does not document additional pay items in compensation. The District has a computerized system that builds a blended rate when two different hour rates are paid. A decision was made to discontinue use of blended rate and pay the highest rate for overtime purposes. This is allowable, but overtime rates need to be agreed upon before the work is performed.

**RECOMMENDATION**

We recommend maintaining agreements with employees' pay rates for additional compensation and overtime in the personnel files.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Have every employee who agrees to hourly work for a supplemental program sign an agreement that specifies the methodology they will be paid overtime, if applicable.
2. Ensure all applications to PED include overtime as part of the budget.

**Due Date for Completion:** June 30, 2020

**Responsible Party:** Chief Financial Officer, Executive Director of Human Resources



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-007 TITLE I AND SPECIAL EDUCATION DISBURSEMENTS - DISTRICT**

**TYPE OF FINDING:** Significant Deficiency/Non-Compliance

*Federal program information:*

Funding agency: U.S. Department of Education

Title: Title I

Special Education Cluster

CFDA Number: 84.010, 84.027, 84.173

**CONDITION**

During our Allowable Costs testing, we found that references were made to expired price agreements and purchase orders which were dated after the date of the invoice. Three purchase orders were completed after the scheduled start date of the service and, in one case, a contract for \$3,000 was signed by a principal prior to the purchase order being completed.

On the payment side, one invoice was paid that was not dated. Another request was made to pay an amount, but the actual amount paid was \$100 more than the request.

Title I is where most of referenced non-compliance occurred. Of the 37 items tested, three contractors had purchase orders dated after the scheduled start date for services. One purchase order had a reference to a price agreement that expired in July 2017. One purchase was paid before the start date of the term of service.

In the Special Education program testing, of the 40 items tested, one purchase referenced a price agreement that expired April 21, 2018. One purchase paid tax that was not part of the purchase order. On one purchase, the shipping and handling was significant, more than the percentage paid to other vendors, and was not shown as a separate item on the purchase order.

**CRITERIA**

Controls should ensure that expired price agreements are not allowed to be used for support for purchase orders. The purchase orders have a note that a price decrease or increase in shipping cost in excess of \$25 over the total purchase order must receive prior school district approval.

Title I and Special Education funds must be used in a manner consistent with all requirements of the Educational Department General Administrative Regulations (EDGAR), and 2 CFR 200, to support activities allowable under the respective programs. Expenditures should be supported by purchase orders and any approved changes or excess charges should be properly approved and have correct documentation before payments are made. Purchases should be made as tax-exempt when possible.

**QUESTIONED COSTS**

None

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SECTION III - FEDERAL AWARDS FINDINGS - DISTRICT (CONTINUED)**

**2019-007 TITLE I AND SPECIAL EDUCATION DISBURSEMENTS - DISTRICT (CONTINUED)**

**EFFECT**

The District is paying for unauthorized or unnecessary expenses that are not included in purchase orders. Large purchases should be reviewed to make sure shipping and handling charges are appropriate for the purchase. The expenses should be supported by the planning and budgeting for expenditures and the deliverables in the agreements between the District and the New Mexico Public Education Department.

**CAUSE**

The District 's controls over these compliance areas are not properly implemented.

**RECOMMENDATION**

We recommend reviewing controls over purchasing to ensure shipping, handling, and taxes are properly included or excluded when completing purchase orders. The purchase order form should be reviewed to make sure the language for approval authority is correct for changes and meets the needs of the District.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. The District will implement a review of terms of service to ensure price agreements follow procurement.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Review agreements recurring and on-recurring to ensure proper workflow for execution.
2. Establish a purchase order system that aligns with procurement regulations.

**Due Date for Completion:** June 30, 2020

**Responsible Party:** Chief Procurement Officer

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-008 BANK COLLATERALIZATION - DISTRICT**

**TYPE OF FINDING:** Other Non-Compliance

**CONDITION**

The District had one bank account that was uninsured in the amount of \$528,450. State law requires collateralization of \$264,225 of this uninsured amount. The District did not have sufficient collateral in place to meet the State requirement and was under collateralized by \$207,947.

**CRITERIA**

New Mexico State Statute Section 6-10-17, NMSA 1978, requires the District to collateralize an amount equal to one-half of the balance not covered by the Federal Deposit Insurance Corporation (FDIC) for depository accounts.

**CAUSE**

Administration did not ensure this requirement was met – internal controls were not in place.

**EFFECT**

If the bank failed due to insufficient capital, the District could lose public monies. Public funds were not secured as required.

**RECOMMENDATION**

The District should arrange for collateral for bank deposits in excess of \$250,000. Alternatively, the District could maintain deposits with multiple banks with less than \$250,000 in each.

**MANAGEMENT RESPONSE**

**Corrective Action:** The District has met with the financial institution and will put appropriate collateralization into place.

**Due Date of Completion:** December 31, 2019

**Responsible Party:** Chief Financial Officer

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-009 (PREVIOUSLY REPORTED AS 2018-009 AND 2017-004) COMPLIANCE WITH SCHOOL PERSONNEL ACT - DISTRICT - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Other Matter

**CONDITION**

During our testing of 10 payroll transactions, we noted contracts were not executed 10 or more days before the start of the school year for 4 of the items tested. Additionally, 5 contracts were not located.

During our testing of school personnel act, we noted supporting documentation could not be provided to verify that new hires completed required training in detection and reporting of child abuse and neglect.

The District did not make progress on this finding in fiscal year 2019.

**CRITERIA**

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

22-10A-23(B) NMSA 1978 states that delivery of the written acceptance of reemployment by a certified school instructor creates a binding employment contract between the certified school instructor and the local school board or the governing authority of the state agency until the parties enter into a formal written employment contract. Written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.

Section 22-10A-32 Item A NMSA 1978 states that all licensed school employees shall be required to complete training in the detection and reporting of child abuse and neglect, including sexual abuse and assault and substance abuse. Except as otherwise provided in this subsection, this requirement shall be completed within the licensed school employee's first year of employment by a school district. Licensed school employees hired prior to the 2014-2015 school year shall complete the sexual abuse and assault component of the required training during the 2014-2015 school year.

**EFFECT**

The District is at higher risk for misappropriation of assets if it is unable to confirm that pay rates have been approved by management. The District may be at higher risk that classrooms and other services are not staffed as planned. Additionally, the District is not in compliance with Section 22-10A-32 Item A, NMSA 1978.

**CAUSE**

This is due to a lack of controls over compliance in this area.

STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019

**2019-009 (PREVIOUSLY REPORTED AS 2018-009 AND 2017-004) COMPLIANCE WITH SCHOOL PERSONNEL ACT - DISTRICT - REPEATED AND MODIFIED (CONTINUED)**

**RECOMMENDATION**

Management should perform a risk assessment and design and implement strong controls over payroll compliance.

**MANAGEMENT RESPONSE**

The Human Resources Department (HRD) does recognize the legal requirement stated on Section 22-10A-23(b) of the Personnel Act that “[written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.” As often our Collective Bargaining Agreement slows our process. However, in review of Sections 22-10A-22 in conjunction with 22-10A-23. Those say that “On or before the last day of the school year of the existing employment contract, the local school board or the governing authority of the state agency shall serve *written notice of reemployment* or termination on each certified school instructor employed by the school district or state agency.” AND, within fifteen days of “(1) the date *written notice of reemployment* is served upon the person; or (2) the last day of the school year when no written notice of reemployment or termination is served upon the person on or before the last day of the school year,” the employee has to give the district “a written acceptance or rejection of reemployment for the ensuing school year.” Otherwise, there is no binding employment contract between the certified school instructor and the district until the parties enter into a formal written employment contract.

**Corrective Action:** The HRD will recalibrate processes to mitigate risks and meet compliance requirements. Ensuring that hiring documents are executed in a timely manner and appropriately filed. Will assess and configure to ensure the delivery system of the required trainings and exercises are completed. In addition, include documentation to employee’s personnel file.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Human Resources

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-010 (PREVIOUSLY REPORTED AS 2018-008A AND 2015-001A) BUDGETARY CONDITIONS - ATC  
CHARTER - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Other Non-Compliance

**CONDITION**

The School has expenditure functions where actual expenditures exceeded budgetary authority:

Fund 24106 Instruction	\$9,580
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The Charter School has not made progress on this finding.

**CRITERIA**

Per NMAC 6.20.2.9(A), every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining, and reporting budgetary information. Budgetary control shall be at the major function level. Over-expenditure of a function shall not be allowed.

Per NMAC 6.20.2.10.B, school districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget AUTHORITY has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

**EFFECT**

The School was out of compliance with New Mexico state statute and funds spent could be considered unallowable.

**CAUSE**

Required budget adjustments were not approved by the Board and submitted to the New Mexico Public Education Department.

**RECOMMENDATION**

We recommend the School establish a policy of budgetary review at the end of each quarter and have the board approve the necessary budgetary adjustments to ensure funds are not over expended. We recommend that all BARs are properly completed for all changes in funding received and that all BARs are approved by the board and submitted to the department prior to the end of the year.

**MANAGEMENT RESPONSE**

**Corrective Action:** We acknowledge the issue and will be reviewing expenditures/budget more timely.

**Due Date of Completion:** January 31, 2020

**Responsible Party:** Finance Director

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-011 (PREVIOUSLY REPORTED AS 2018-004A AND 2017-005A) INTERNAL CONTROLS OVER CASH  
DISBURSEMENTS - ATC CHARTER - REPEATED AND MODIFIED**

**TYPE OF FINDING:** Other Matter

**CONDITION**

During our testing of 40 cash disbursements, we noted that 2 purchase orders were utilized incorrectly for expense reimbursements in the amounts of \$11.72 and \$19.52.

The Charter did make progress on this finding in fiscal year 2019.

**CRITERIA**

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

**EFFECT**

There is a higher risk of errors and spending over budget.

**CAUSE**

The purpose of the purchase orders used did not match the items noted in the invoice.

**RECOMMENDATION**

The Board and Administration should perform a risk assessment and design and implement strong controls over cash disbursements.

**MANAGEMENT RESPONSE**

**Corrective Action:** With Apta, our old system, we did not have capability to revise purchase orders. Ivisions does give us that capability and this should not be a problem going forward.

**Due Date of Completion:** February 2020

**Responsible Party:** Business Manager

**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
SCHEDULE OF SECTION 12-6-5 NMSA 1978 FINDINGS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-012 COMPLIANCE WITH SCHOOL PERSONNEL ACT - ATC CHARTER**

**TYPE OF FINDING:** Non-Compliance

**CONDITION**

During our testing of 3 licensed employee payroll transactions, we noted that none of these contracts were executed 10 or more days before the start of the school year.

**CRITERIA**

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

22-10A-23(B) NMSA 1978 states that delivery of the written acceptance of reemployment by a certified school instructor creates a binding employment contract between the certified school instructor and the local school board or the governing authority of the state agency until the parties enter into a formal written employment contract. Written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.

**EFFECT**

The District is at higher risk for misappropriation of assets if it is unable to confirm that pay rates have been approved by management. The District may be at higher risk that classrooms and other services are not staffed as planned. Additionally, the District is not in compliance with Section 22-10A-32 Item A, NMSA 1978.

**CAUSE**

This may be due to turnover in the Human Resources Department and a lack of controls over compliance in this area.

**RECOMMENDATION**

Management should perform a risk assessment and design and implement strong controls over payroll compliance.

**MANAGEMENT RESPONSE**

**Corrective Action:** The Charter was made aware of this by the auditor and we have made this correction in the FY19-20. The current year contracts are dated July 31, 2019.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Human Resources



**STATE OF NEW MEXICO  
SANTA FE PUBLIC SCHOOLS  
EXIT CONFERENCE  
JUNE 30, 2019**

The contents of this report were discussed, in a closed session, on November 11, 2019. The following individuals were in attendance:

**Santa Fe Public Schools:**

Kate Noble, Board of Education  
Carl Luff, Audit Committee  
Larry Mirabal, Audit Committee  
Oscar Rodriguez, Audit Committee  
Margo Shirley, Audit Committee  
Ron Baca, Audit Committee  
Kristi Janda Wagner, Deputy Superintendent  
Veronica Garcia, Superintendent of Schools (telephone)  
German Martinez, Chief Financial Officer  
Robert Martinez, Deputy Chief Financial Officer

**Academy for Technology & the Classics Charter School:**

Larry Mirabal, Audit Committee, Governing Council Member  
Christine Garcia, Business Manager  
Karen Velarde, Governing Council  
Brian Shelton, Governing Council  
Susan Lumley, Principal

**Jaramillo Accounting Group LLC (JAG):**

Audrey J. Jaramillo, CPA, CFE, Managing Partner  
David Williamson, Manager, CPA

*Jaramillo Accounting Group LLC (JAG) assisted in the preparation of the financial statements presented in this report. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.*

## OTHER INFORMATION



## CORRECTIVE ACTION PLAN

November 15, 2019

US Department of Education

Santa Fe Public Schools respectfully submits the following corrective action plan for the year ended June 30, 2019.

Name and address of independent public accounting firm:

**Jaramillo Accounting Group LLC  
4700 Lincoln Rd. NE  
Albuquerque, New Mexico 87109**

Audit period:

**June 30, 2019**

The findings from the June 30, 2019 Schedule of Findings and Questioned Costs are discussed below. **The Corrective Action Plan does not include the corrective actions for our discretely presented component unit, the Academy for Technology and Classics Charter School (ATC). ATC does not have federal funds in excess of \$750,000.** The findings are numbered consistently with the numbers assigned in the schedule.

### **FINDINGS - FINANCIAL STATEMENT AUDIT**

#### **MATERIAL WEAKNESS**

##### **2019-001 INTERNAL CONTROL OVER FINANCIAL CLOSE AND REPORTING - DISTRICT**

#### **RECOMMENDATION**

We recommend management evaluate all aspects of the financial close and reporting process and establish effective internal controls and procedures to ensure timely and accurate financial statements and supporting schedules. We highly recommend in-depth training on governmental accounting standards and systems such as GASB and COSO. We also recommend that the District track and record modified and full accrual entries separately for financial reporting purposes. Finally, we recommend reconciling all balance sheet accounts by fund every month and performing analytical reviews of the income statements within a week of the close of the previous month.

#### **MANAGEMENT RESPONSE**

Santa Fe Public Schools management worked diligently with the auditing firm to maintain milestones during the audit process. During audit committee meetings some items were identified as pending or not sufficient. However, progress was not deemed as a deficiency during audit committee meetings.

Internal procedures have been developed to compile documentation related to reconciling worksheets, listings, and transactions that are required to maintain the quality of the audit process.

**Corrective Action:** The District will implement the following plan:

1. Develop a work plan for the audit process; include milestones and timelines for completion.
2. Compile documentation, worksheets, and draft templates during fiscal year prior to fiscal year end.
3. Timely review and submission of documents to auditor portal.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Chief Finance Director

**2019-002 (PREVIOUSLY REPORTED AS 2018-004) BANK RECONCILIATIONS AND CLEARING ACCOUNTS - DISTRICT - REPEATED AND MODIFIED**

**RECOMMENDATION**

We recommend the District fully staff Finance positions, highly train the staff, and develop monthly close processes including a strong review and approval process.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. Variances of cash were a direct result of transactions between banks or journal entries incorrectly posted to reduce payroll liabilities and cash. These variances will be reviewed and reconciled according to bank reconciliation procedures.

**Corrective Action:** The District will implement the following plan:

1. Cross-functional training within Business Services to make the process more efficient, transparent and captures issues as they arise.
2. Management review of the work of the Comptroller, including renewed effort to enforce the requirement of signing off on all bank reconciliations on a monthly basis.
3. Timely submission of all bank transfers between accounts.
4. Implementation of procedures to properly process year end closing transactions.

**Due Date of Completion:** June 30, 2020

**Responsible Person:** Chief Financial Officer, Comptroller

**FINDINGS - FEDERAL AWARD PROGRAMS AUDIT**

**SIGNIFICANT DEFICIENCY/NON-COMPLIANCE**

**2019-004 (PREVIOUSLY REPORTED AS 2018-006 AND 2017-003) 21<sup>ST</sup> CENTURY PAYROLL - DISTRICT - REPEATED AND MODIFIED**

**RECOMMENDATION**

We recommend maintaining agreements with employees' pay rates for additional compensation and overtime in the personnel files.



**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. All non-contractual pay will be planned and agreements will be established to ensure proper calculation of overtime.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Have every employee who agrees to hourly work for a supplemental program sign an agreement that specifies the methodology they will be paid overtime, if applicable.
2. Ensure all applications to PED include overtime as part of the budget.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Human Resources

**2019-005 (PREVIOUSLY REPORTED AS 2018-007) STUDENT NUTRITION VERIFICATION - DISTRICT - REPEATED AND MODIFIED****RECOMMENDATION**

Although there are differing political philosophies, the CFR criteria has remained the same and must be followed. We recommend the District develop procedures to flag questionable applications in addition to the required verification sample and complete verification for cause as required. This cannot delay approval of applications. If an application is complete and indicates the child is eligible for free or reduced price benefits, the application must be approved while the District begins verification for cause.

**MANAGEMENT RESPONSE**

While every effort is made to process student meal applications with the highest level of accuracy, these findings indicate a need for review of internal processes. The District maintains records of applications submitted as required by the USDA Food and Nutrition Bureau. To ensure compliance related to eligibility the District utilizes a reasonable cause determination for further verification of applications. The District does not apply a blanket approach for verification; rather a case by case inquiry is used as a practical approach for verification. In order to maintain accurate representation of its review procedures the District will develop a risk assessment to determine an exhaustive review of applications.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Determine the District's authority and ability to determine the income levels of individual households.
2. Develop a rubric that outlines criteria of verification for cause of inaccurate information submitted by individuals.
3. Identify applications listed as zero income and determine a reasonable cause for review on a case-by-case basis.

**Due Date of Completion:** June 30, 2020

**Responsible Party:** Executive Director of Finance and Administration, Payroll Specialist

**2019-006 TITLE I AND SPECIAL EDUCATION PAYROLL - DISTRICT**

**RECOMMENDATION**

We recommend maintaining agreements with employees' pay rates for additional compensation and overtime in the personnel files.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Have every employee who agrees to hourly work for a supplemental program sign an agreement that specifies the methodology they will be paid overtime, if applicable.
2. Ensure all applications to PED include overtime as part of the budget.

**Due Date for Completion:** June 30, 2020

**Responsible Party:** Chief Financial Officer, Executive Director of Human Resources

**2019-007 TITLE I AND SPECIAL EDUCATION DISBURSEMENTS - DISTRICT**

**RECOMMENDATION**

We recommend reviewing controls over purchasing to ensure shipping, handling, and taxes are properly included or excluded when completing purchase orders. The purchase order form should be reviewed to make sure the language for approval authority is correct for changes and meets the needs of the District.

**MANAGEMENT RESPONSE**

The District acknowledges that work needs to be done in this area and will incorporate the recommendations of the auditor into future practice. The District will implement a review of terms of service to ensure price agreements follow procurement.

**Corrective Action:** To ensure compliance, the District will implement the following plan:

1. Review agreements recurring and on-recurring to ensure proper workflow for execution.
2. Establish a purchase order system that aligns with procurement regulations.

**Due Date for Completion:** June 30, 2020

**Responsible Party:** Chief Procurement Officer

If the US Department of Education has questions regarding this plan, please call me at 505-467-2038.

Sincerely yours,



German Martínez, MBA  
Chief Financial Officer