

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
JUNE 30, 2015



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INTRODUCTORY SECTION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2015
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STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
OFFICIAL ROSTER
FOR THE YEAR ENDED JUNE 30, 2015

<u>Name</u>		<u>Title</u>
	<u>School Board</u>	
David Chavez		President
James Sanborn		Vice-President
Mark Flores		Secretary
Jason Silva		Member
Whitney Goler		Member
	<u>District Officials</u>	
Dr. Lillian Torrez		Superintendent
Boby Spinelli		Finance Director

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FINANCIAL SECTION



Manning Accounting and Consulting Services, LLC

INDEPENDENT AUDITOR'S REPORT

Timothy Keller, New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Taos Municipal School District
Taos, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Taos Municipal School District, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds, fiduciary funds, and the budgetary comparisons for the major capital project funds, the major debt service funds, and all nonmajor funds presented as supplementary information as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. Management has provided the required GASB 68 schedules which are presented as Schedules VII through IX.

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparison. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audit of States, Local Governments, and Non-Profit Organization*, the introductory section, and the Other Supplemental Information, Schedules I through V required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 09, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 09, 2015

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BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF NET POSITION
 JUNE 30, 2015

Exhibit A-1

	Governmental Activities	Component Units
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 9,383,952	\$ 756,953
Receivables (net of allowance for uncollectibles)	3,296,066	464,438
Deposits	10,582	-
Inventory	16,992	-
Prepaid assets	-	46,584
<i>Total current assets</i>	<u>12,707,592</u>	<u>1,267,975</u>
<i>Noncurrent assets</i>		
Prepaid assets	-	652,058
Capital assets (net of accumulated depreciation):		
Land and land improvements	11,441,885	1,512,461
Buildings and building improvements	72,631,164	4,119,116
Furniture, fixtures and equipment	3,971,557	267,292
Construction in progress	3,321,495	1,321,490
Less: accumulated depreciation	(16,940,191)	(821,597)
<i>Total noncurrent assets</i>	<u>74,425,910</u>	<u>7,050,820</u>
DEFERRED OUTFLOWS OF RESOURCES		
Subsequent employer contributions and change in proportion- pensions	<u>2,394,348</u>	<u>551,896</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 89,527,850</u>	<u>\$ 8,870,691</u>
LIABILITIES		
<i>Current liabilities</i>		
Accounts payable	\$ 616,213	\$ 37,168
Accrued payroll liabilities	1,409,284	241,903
Accrued interest payable	532,822	9,235
Unearned lease income	-	46,584
Current maturities of:		
Bonds payable	2,615,000	-
Loans payable	-	1,028,586
Compensated absences	-	3,775
<i>Total current liabilities</i>	<u>5,173,319</u>	<u>1,367,251</u>
<i>Noncurrent liabilities:</i>		
Unearned lease income	-	652,058
Bond premiums, net of amortization of \$94,703	1,073,295	-
Bonds payable	32,720,000	-
Loans payable	-	1,532,994
Net Pension Liability	29,161,411	4,003,687
<i>Total noncurrent liabilities</i>	<u>62,954,706</u>	<u>6,188,739</u>
DEFERRED INFLOWS OF RESOURCES		
Change in pension experience and proportion	<u>3,085,296</u>	<u>627,695</u>
NET POSITION		
Net investment in capital assets	38,017,615	4,489,221
Restricted for:		
Debt service	4,692,789	-
Capital projects	3,451,577	118,648
Other purposes - special revenue	(33,900)	(32,802)
Unrestricted	<u>(27,813,552)</u>	<u>(3,888,061)</u>
<i>Total net position</i>	<u>18,314,529</u>	<u>687,006</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 89,527,850</u>	<u>\$ 8,870,691</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Exhibit A-2

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
Primary Government						
Governmental activities:						
Instruction	\$ 12,249,924	\$ 79,648	\$ 3,755,761	\$ -	\$ (8,414,515)	\$ -
Support services:						
Students	2,515,005	-	11,455	-	(2,503,550)	-
Instruction	103,573	-	17,247	-	(86,326)	-
General administration	582,450	-	-	-	(582,450)	-
School administration	1,124,609	-	-	-	(1,124,609)	-
Other	42,920	-	-	-	(42,920)	-
Central services	273,645	169,725	-	-	(103,920)	-
Operation & maintenance of plant	2,196,739	63,468	-	(127,905)	(2,261,176)	-
Student transportation	1,024,890	-	993,158	-	(31,732)	-
Food services operation	1,685,656	137,073	1,638,297	-	89,714	-
Community services	-	-	-	-	-	-
Interest on long-term debt	1,567,911	-	584,958	-	(982,953)	-
Facilities materials, supplies, & other services	8,732,289	-	-	188,862	(8,543,427)	-
Depreciation - unallocated	-	-	-	-	-	-
Total Primary Government	<u>\$ 32,099,611</u>	<u>\$ 449,914</u>	<u>\$ 7,000,876</u>	<u>\$ 60,957</u>	<u>(24,587,864)</u>	<u>-</u>
Component Units						
Anansi Charter School	\$ 1,768,949	\$ 259,129	\$ 122,460	\$ 405,783		(981,577)
Taos Charter School	2,074,518	165,370	212,979	563,031		(1,133,138)
Vista Grande High School	1,240,720	2,381	5,976	103,690		(1,128,673)
Total Component Units	<u>\$ 5,084,187</u>	<u>\$ 426,880</u>	<u>\$ 341,415</u>	<u>\$ 1,072,504</u>		<u>(3,243,388)</u>
General Revenues:						
Property taxes:						
Levied for general purposes						
					188,964	-
Levied for debt service						
					3,516,432	-
Levied for capital projects						
					1,722,981	239,190
State equalization guarantee						
					19,744,907	3,708,844
Federal aid - not restricted						
					223,568	-
Unrestricted investment earnings						
					5,617	79
Transfer from agency funds						
					-	-
Miscellaneous						
					180,362	131,402
Total general revenues						
					25,582,831	4,079,515
Change in net position						
					994,967	836,127
Net position - beginning of year						
					42,508,048	3,944,497
Restatement - change in accounting principle						
					(25,188,486)	(4,093,618)
Net position - beginning of year, restated						
					17,319,562	(149,121)
Net position - end of year						
					<u>\$ 18,314,529</u>	<u>\$ 687,006</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

	General Fund			
	Operational 11000	Transportation 13000	Instructional Materials 14000	Bond Building 31100
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 1,316,497	\$ 48,416	\$ 231,970	\$ 959,757
Accounts receivable				
Taxes	46,326	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	2,075,621	-	-	-
Other	99,389	-	-	-
Deposit	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>3,537,833</u>	<u>48,416</u>	<u>231,970</u>	<u>959,757</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	85,774	-	-	42,620
Accrued payroll liabilities	1,145,000	27,887	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>1,230,774</u>	<u>27,887</u>	<u>-</u>	<u>42,620</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	39,305	-	-	-
Unavailable revenue - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>39,305</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Transportation	-	20,529	-	-
Instructional materials	-	-	231,970	-
Grant mandates	-	-	-	-
Capital projects	-	-	-	917,137
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	2,267,754	-	-	-
<i>Total fund balances</i>	<u>2,267,754</u>	<u>20,529</u>	<u>231,970</u>	<u>917,137</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,537,833</u>	<u>\$ 48,416</u>	<u>\$ 231,970</u>	<u>\$ 959,757</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

	Capital Improvements SB-9 31700	Debt Service 41000	Education Technology Debt Service 43000	Other Governmental Funds	Total Primary Government
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 2,197,526	\$ 2,796,645	\$ 762,994	\$ 1,070,147	\$ 9,383,952
Accounts receivable					
Taxes	175,826	527,701	605,449	-	1,355,302
Due from other governments	-	-	-	1,841,375	1,841,375
Interfund receivables	-	-	-	-	2,075,621
Other	-	-	-	-	99,389
Deposit	-	-	-	10,582	10,582
Inventory	-	-	-	16,992	16,992
<i>Total assets</i>	<u>2,373,352</u>	<u>3,324,346</u>	<u>1,368,443</u>	<u>2,939,096</u>	<u>14,783,213</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	372,709	-	-	115,110	616,213
Accrued payroll liabilities	-	-	-	236,397	1,409,284
Interfund payables	-	-	-	2,075,621	2,075,621
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>372,709</u>	<u>-</u>	<u>-</u>	<u>2,427,128</u>	<u>4,101,118</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	109,563	426,976	579,323	-	1,155,167
Unavailable revenue - other	-	-	-	395,174	395,174
<i>Total deferred inflows of resources</i>	<u>109,563</u>	<u>426,976</u>	<u>579,323</u>	<u>395,174</u>	<u>1,550,341</u>
FUND BALANCES					
Nonspendable	-	-	-	16,992	16,992
Restricted for:					
Transportation	-	-	-	-	20,529
Instructional materials	-	-	-	-	231,970
Grant mandates	-	-	-	-	-
Capital projects	1,891,080	-	-	533,797	3,342,014
Debt service	-	2,897,370	789,120	-	3,686,490
Assigned	-	-	-	-	-
Unassigned	-	-	-	(433,995)	1,833,759
<i>Total fund balances</i>	<u>1,891,080</u>	<u>2,897,370</u>	<u>789,120</u>	<u>116,794</u>	<u>9,131,754</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 2,373,352</u>	<u>\$ 3,324,346</u>	<u>\$ 1,368,443</u>	<u>\$ 2,939,096</u>	<u>\$ 14,783,213</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
 JUNE 30, 2015

Exhibit B-2

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 9,131,754
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	74,425,910
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements	1,899,093
Changes in proportion for pension calculations are not recorded in the governmental funds but are recorded as deferred outflows for the for the government-wide statements	495,255
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements but are considered revenue in the statement of activities	1,155,167
Deferred inflows of resources represent revenues collected but not "available" and are considered to be deferred revenue in the fund financial statements but are considered revenue in the statement of activities	395,174
Bond issuance costs, including original issue discounts and premiums are not financial resources and therefore are not reported in the funds	
Bond premiums net of accumulated amortization	(1,073,295)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(532,822)
General obligation bonds	(35,335,000)
Net Pension Liability	(29,161,411)
Changes in pension actuarial experience, investment experience, and change in proportion are not recorded in the governmental funds but are recorded as deferred inflows for the government-wide statements	(3,085,296)
Net position - total governmental activities	<u>\$ 18,314,529</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			
	Operational 11000	Transportation 13000	Instructional Materials 14000	Bond Building 31100
<i>Revenues:</i>				
Property taxes	\$ 187,619	\$ -	\$ -	\$ -
State grants	19,744,907	963,151	170,580	-
Federal grants	217,806	-	-	-
Miscellaneous	180,362	3,075	-	-
Charges for services	243,775	-	-	-
Investment Income	1,391	-	-	2,115
<i>Total revenues</i>	<u>20,575,860</u>	<u>966,226</u>	<u>170,580</u>	<u>2,115</u>
<i>Expenditures:</i>				
Current:				
Instruction	11,817,021	-	83,901	-
Support services				
Students	2,141,067	-	-	-
Instruction	209,865	-	-	-
General administration	660,006	-	-	-
School administration	1,227,464	-	-	-
Central services	551,338	-	-	-
Operation & maintenance of plant	2,330,017	-	-	-
Student transportation	-	970,640	-	-
Other support services	42,920	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	5,725,735
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>18,979,698</u>	<u>970,640</u>	<u>83,901</u>	<u>5,725,735</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,596,162</u>	<u>(4,414)</u>	<u>86,679</u>	<u>(5,723,620)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>1,596,162</u>	<u>(4,414)</u>	<u>86,679</u>	<u>(5,723,620)</u>
<i>Fund balances - beginning of year</i>	671,592	24,943	145,291	6,640,757
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>671,592</u>	<u>24,943</u>	<u>145,291</u>	<u>6,640,757</u>
<i>Fund balances - end of year</i>	<u>\$ 2,267,754</u>	<u>\$ 20,529</u>	<u>\$ 231,970</u>	<u>\$ 917,137</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

Exhibit B-3

	Capital Improvements SB-9 31700	Debt Service 41000	Education Technology Debt Service 43000	Other Governmental Funds	Total Primary Government
<i>Revenues:</i>					
Property taxes	\$ 1,754,396	\$ 2,771,962	\$ 692,981	\$ -	\$ 5,406,958
State grants	59,880	-	-	742,441	21,680,959
Federal grants	-	584,958	-	4,139,427	4,942,191
Miscellaneous	1,077	-	-	7,832	192,346
Charges for services	-	-	-	206,139	449,914
Investment Income	849	819	-	443	5,617
<i>Total revenues</i>	<u>1,816,202</u>	<u>3,357,739</u>	<u>692,981</u>	<u>5,096,282</u>	<u>32,677,985</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	2,678,028	14,578,950
Support services					
Students	-	-	-	471,089	2,612,156
Instruction	-	-	-	16,024	225,889
General administration	22,165	27,709	6,940	244,210	961,030
School administration	-	-	-	94,711	1,322,175
Central services	-	-	-	103,124	654,462
Operation & maintenance of plant	-	-	-	7,144	2,337,161
Student transportation	-	-	-	135,811	1,106,451
Other support services	-	-	-	-	42,920
Food services operations	-	-	-	1,720,762	1,720,762
Community service	-	-	-	-	-
Capital outlay	1,579,076	-	-	384,414	7,689,225
Debt service					
Principal	-	1,775,000	675,000	-	2,450,000
Interest	-	1,558,293	9,618	-	1,567,911
Bond issuance costs	-	-	-	110,000	110,000
<i>Total expenditures</i>	<u>1,601,241</u>	<u>3,361,002</u>	<u>691,558</u>	<u>5,965,317</u>	<u>37,379,092</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>214,961</u>	<u>(3,263)</u>	<u>1,423</u>	<u>(869,035)</u>	<u>(4,701,107)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>214,961</u>	<u>(3,263)</u>	<u>1,423</u>	<u>(869,035)</u>	<u>(4,701,107)</u>
<i>Fund balances - beginning of year</i>	1,676,119	2,900,633	787,697	985,829	13,832,861
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>1,676,119</u>	<u>2,900,633</u>	<u>787,697</u>	<u>985,829</u>	<u>13,832,861</u>
<i>Fund balances - end of year</i>	<u>\$ 1,891,080</u>	<u>\$ 2,897,370</u>	<u>\$ 789,120</u>	<u>\$ 116,794</u>	<u>\$ 9,131,754</u>

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

STATE OF NEW MEXICO

Exhibit B-4

TAOS MUNICIPAL SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ (4,701,107)
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 assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(1,897,533)
Capital Outlays	4,960,992
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred revenue related to the property taxes receivable	21,419
Change in deferred inflows of resources - other	395,174
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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Increase in accrued interest payable	(19,126)
Amortization of bond premium	75,762
Principal payments on bonds	2,450,000
Pension contributions - current year	1,899,093
Pension expense	(2,189,707)
	<hr/>
Change in net position - total governmental activities	<u><u>\$ 994,967</u></u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
OPERATIONAL FUND (11000)
FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 182,783	\$ 182,783	\$ 187,711	\$ 4,928
State grants	19,748,931	19,748,931	19,744,907	(4,024)
Federal grants	19,317	19,317	217,806	198,489
Miscellaneous	157,690	157,690	80,973	(76,717)
Charges for services	193,500	193,500	243,775	50,275
Interest	800	800	1,391	591
<i>Total revenues</i>	<u>20,303,021</u>	<u>20,303,021</u>	<u>20,476,563</u>	<u>173,542</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	12,061,336	12,284,177	11,822,514	461,663
Support services				
Students	2,453,975	2,364,975	2,141,067	223,908
Instruction	176,892	214,395	208,768	5,627
General administration	672,197	717,197	654,033	63,164
School administration	1,224,619	1,234,619	1,227,464	7,155
Central services	477,345	557,345	551,338	6,007
Operation & maintenance of plant	3,314,265	3,258,265	2,346,143	912,122
Student transportation	-	-	-	-
Other support services	108,122	108,122	49,155	58,967
Food services operations	-	331,004	-	331,004
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,488,751</u>	<u>21,070,099</u>	<u>19,000,482</u>	<u>2,069,617</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(185,730)</u>	<u>(767,078)</u>	<u>1,476,081</u>	<u>2,243,159</u>
<i>Other financing sources (uses):</i>				
Designated cash	185,730	767,078	-	(767,078)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>185,730</u>	<u>767,078</u>	<u>-</u>	<u>(767,078)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,476,081</u>	<u>1,476,081</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,916,037</u>	<u>1,916,037</u>
Prior period adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,916,037</u>	<u>1,916,037</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,392,118</u>	<u>\$ 3,392,118</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 1,476,081	
Adjustments to revenues			99,297	
Adjustments to expenditures			20,784	
Net change in fund balance (GAAP basis)			<u>\$ 1,596,162</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
STUDENT TRANSPORTATION FUND (13000)
FOR THE YEAR ENDING JUNE 30, 2015

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	881,231	963,151	963,151	-
Federal grants	-	-	-	-
Miscellaneous	-	-	3,075	3,075
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>881,231</u>	<u>963,151</u>	<u>966,226</u>	<u>3,075</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	881,231	975,622	966,743	8,879
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>881,231</u>	<u>975,622</u>	<u>966,743</u>	<u>8,879</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(12,471)</u>	<u>(517)</u>	<u>11,954</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	12,471	-	(12,471)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>12,471</u>	<u>-</u>	<u>(12,471)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(517)</u>	<u>(517)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	48,933	48,933
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>48,933</u>	<u>48,933</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,416</u>	<u>\$ 48,416</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (517)	
Adjustments to revenues			-	
Adjustments to expenditures			(3,897)	
Net change in fund balance (GAAP basis)			<u>\$ (4,414)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INSTRUCTIONAL MATERIALS FUND (14000)
FOR THE YEAR ENDING JUNE 30, 2015

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	130,014	170,324	170,580	256
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>130,014</u>	<u>170,324</u>	<u>170,580</u>	<u>256</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	269,861	312,642	83,901	228,741
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>269,861</u>	<u>312,642</u>	<u>83,901</u>	<u>228,741</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(139,847)</u>	<u>(142,318)</u>	<u>86,679</u>	<u>228,997</u>
<i>Other financing sources (uses):</i>				
Designated cash	139,847	142,318	-	(142,318)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>139,847</u>	<u>142,318</u>	<u>-</u>	<u>(142,318)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>86,679</u>	<u>86,679</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>145,291</u>	<u>145,291</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>145,291</u>	<u>145,291</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231,970</u>	<u>\$ 231,970</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 86,679	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 86,679</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2015

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	\$ 424,212
<i>Total assets</i>	<u>424,212</u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	424,212
<i>Total liabilities</i>	<u>\$ 424,212</u>

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

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STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies**

The Taos Municipal 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 Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of the District's management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes the governmental units.

During the year ended June 30, 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Statements No. 68 and 71 require cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan.

A. *Financial Reporting Entity*

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

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

The District has three charter schools which operate as component units of the District – Anansi Charter School, Taos Charter School, and Vista Grande High School. In addition, Anansi Charter School has a foundation, Friends of Anansi Charter School, which is a component unit of the charter school, and Taos Charter School has a foundation, Friends of Taos Charter School, which is a component unit of the charter school.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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

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.

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

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

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

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

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; therefore, it is not recognized as an outflow of resources (expense) until then.

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; therefore, it is not recognized as an inflow of resources (revenue) until that time.

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

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

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.

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

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

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The General Fund includes the Operational, Transportation, and Instructional Materials Funds.

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

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB Statement No. 34, the District is required to present some of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

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

The *Operational Fund* (11000) accounts for the primary revenues and expenditures of the District, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

The *Student Transportation Fund* (13000) accounts for state equalization funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District. This fund is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* (14000) accounts for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

The *Bond Building 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.

The *Capital Improvements SB-9* (31700) is used 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).

The *Debt Service Fund* (41000) is used to account for the accumulation of resources for the payment of General Long-Term Debt principal and interest.

The *Education Technology Debt Service* (43000) is used to account for the debt repayment of the debt incurred through the Education Technology Equipment Act (Capital Projects Fund) (Section 6-15A-16 NMSA 1978).

Additionally, the government reports the following fund types:

The fiduciary funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The fiduciary funds are for student activities.

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, 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.

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.

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

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

Restricted Assets: The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bond current debt service account.

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

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

The District receives monthly income from a tax levy in Taos 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 Taos County Treasurer's in July and August 2015 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2015.

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

Inventory: The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Cafeteria Fund consists of U.S.D.A. 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.

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 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment, including software, is being capitalized and included in furniture and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the NM Public Schools Facilities Authority are appropriately included in the District’s capital assets.

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. The District expenses the cost of library books when purchased because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2015.

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

Buildings	40-50 years
Building Improvements	20 years
Land Improvements	10-20 years
Vehicles	5-7 years
Furniture, fixtures, and equipment	3-5 years

Deferred Outflows of Resources – Subsequent Employer Contributions and Change in Proportion – Pensions: The government-wide financial statements report pension related expenses and liabilities for the cost-sharing plan one year in arrears, i.e. expenses and liabilities as of June 30, 2014. Contributions made by the District in the current fiscal year and changes in proportion for the District are thus applicable to a future reporting period where they will then be expensed. As such, they are presented in the Statement of Net Position as a deferred outflow of resources in the current period.

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.

Compensated Absences: District policy does not allow employees to be paid for unused annual or sick leave. As such, the District has no compensated absences that should be recorded.

Net Pension Liability: The District records its proportionate share of the difference between the value of total pension liabilities and plan assets for the State of New Mexico’s Employee Retirement Board pension plan.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the fiscal year ended June 30, 2004, bond premiums and discounts, will be 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 will be expensed in the year incurred except for insurance costs which lower the effective rate of interest which will be reported as deferred charges and amortized over the term of the related debt.

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

Deferred Inflows of Resources – Unavailable Revenues: Governmental funds report unavailable revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Revenues not received within sixty (60) days of year-end are not considered available; therefore, a receivable is recorded for the amount due and a corresponding deferred revenue, is recorded as well.

Deferred Inflows of Resources – Change in Pension Experience and Proportion: Changes in actuarial experience, investment experience, and change in proportion for the District are applicable to a future reporting period and will be expensed over a five-year period beginning in the next fiscal year. As such, these amounts are presented in the Statement of Net Position as deferred inflows of resources in the current period.

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the District's fund balances is presented in Note 10.

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 is restricted for "debt service or capital projects."

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

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

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

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

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

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

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

E. Revenues

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Reclassifications: Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

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

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$19,744,907 in state equalization guarantee distributions during the year ended June 30, 2015.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

E. Revenues (continued)

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. In the government-wide financial statements, the District recognizes property tax revenues in the period for which they are levied, net of estimated refunds and uncollectible amounts. The District records only the portion of the taxes considered to be ‘measurable’ and ‘available’ in the government fund financial statements, which is within 60 days of year-end. 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.

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes – residential and commercial and property taxes – oil and gas. Amounts recognized from residential and commercial property taxes at June 30, 2015 were \$5,428,377. Amounts collected from oil and gas taxes were \$0.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$963,151 in transportation distributions during the year ended June 30, 2015.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2015 totaled \$170,580.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$59,880 in state SB-9 matching during the year ended June 30, 2015.

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

E. Revenues (continued)

During the year ended June 30, 2015, the District received \$0 in special capital outlay funds.

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

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

NOTE 2 **Stewardship, Compliance and Accountability**

F. 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. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the ending cash balance be appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function level, the level of budgetary control for districts. 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 School District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (100%) 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.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 **Stewardship, Compliance and Accountability (Continued)**

G. Budgetary Information (continued)

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

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

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2015, is presented on each funds’ Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 Cash and Cash Equivalents

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, 2015.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateralized as required by the statute.

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

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

The 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 District for at least one half of the amount on deposit with the institution in excess of federal deposit insurance. The schedule listed below will meet the State of New Mexico Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	Centinel Bank	US Bank	NM LGIP	Total
Total amounts of deposits	\$ 5,971,331	\$ 2,670,021	\$ 1,749,279	\$ 10,390,631
FDIC coverage	250,000	250,000		\$ 500,000
Total uninsured public funds	<u>5,721,331</u>	<u>2,420,021</u>	<u>1,749,279</u>	<u>9,890,631</u>
Collateral requirement (50% of uninsured public funds)	2,860,666	1,210,011		4,070,677
Pledged security	<u>3,969,464</u>	<u>2,887,475</u>		\$ 6,856,939
Total over (under) collateralized	<u>\$ 1,108,798</u>	<u>\$ 1,677,464</u>	<u>\$ -</u>	<u>\$ 2,786,262</u>

The funds at US Bank are maintained in non-interest bearing accounts while Centinel Bank funds are maintained in interest bearing checking accounts.

The types of collateral allowed are limited by the section 6-10-16, NMSA 1978.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 Cash and Cash Equivalents (Continued)

Deposits

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).

Deposits – The risk exists when a portion of the District’s deposits are not covered by depository insurance and are:

1. Uncollateralized;
2. Collateralized with securities held by the pledging financial institution; or
3. Collateralized with securities held by the pledging financial institution’s trust department or agent but not in the depositor’s (District’s) name.

At June 30, 2015, \$5,141,352 of the District’s bank balance of \$8,641,352 was exposed to custodial credit risk as it was uninsured and not in the District’s name. The New Mexico Local Government Investment Pool (LGIP), as an external investment pool of public funds, is not required to disclose custodial credit risk.

See schedule II, Schedule of Pledged Collateral for detail of the pledged securities.

Reconciliation of Cash to the Financial Statements

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

Reconciliation to Statement of Net Position	
Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 9,383,952
Statement of Fiduciary Net Position - cash per Exhibit D-1	424,212
Total per financial statements	9,808,164
Add outstanding checks and other reconciling items	582,467
Bank balance of deposits	\$ 10,390,631

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 Cash and Cash Equivalents (Continued)

Pooled Cash

The District utilized pooled accounts for their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts should be reclassified as due to/due from accounts in the combining balance sheets at June 30, 2015. Funds 24000 through 25000 are federal funds and 27000 through 29000 funds are non-federal funds. The following individual funds had negative cash balances as of June 30, 2015:

Fund #	Special Revenue Funds:	
21000	Food Services	\$ 173,581
24101	Title I IASA	587,742
24106	IDEA-B Entitlement	327,089
24107	IDEA-B Discretionary	9,338
24109	IDEA-B Preschool	11,455
24118	Fresh Fruits and Vegetables	74,746
24120	IDEA-B "Risk Pool"	600
24132	IDEA-B Results Plan	370,697
24143	ELL Title III Incentive Awards	2,467
24153	English Language Acquisition	45,787
24154	Teacher/Principal Training & Recruiting	114,633
24157	Safe & Drug Free Schools & Community	1,594
24160	Rural and Low Income Schools	25,870
24162	Title I School Improvement	22
24163	Immigrant Funding - Title III	19,711
24174	Carl D. Perkins - Secondary - Current	14,833
24201	Title I IASA Federal Stimulus	12,721
25184	Indian Ed Formula Grant	12,786
27103	Dual Credit Instructional Materials	5,966
27107	2012 GO Bonds Student Library Fund (SB66)	15,933
27114	New Mexico Reads to Lead K-3 Reading Initiative	28,289
27149	PreK Initiative	6,359
27150	NM Grown Fresh Fruits & Vegetables	6,785
27155	Breakfast for Elementary Students	11,769
27166	Kindergarten - Three Plus	28,112
27168	After School and Summer Enrichment Program	16,444
27178	2013 School Bus	78,200
27183	NM Grown Fresh Fruits & Vegetables	185
28178	GEAR-UP CHE	44,141
28190	GRADS - Child Care	1,649
29130	School Based Health Center	26,117
	Total	<u>\$ 2,075,621</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 Cash and Cash Equivalents (Continued)

Investments

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

<u>Investment Type</u>	<u>Fair Value</u>
State Investment Pool – 4101 LGIP Fund	\$1,749,279

State Pool – 4101 LFIP investments are 100% invested in U.S. Treasury Obligations.

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 & Poor’s and have a weighted average days-to-maturity (WAM) of 77.7 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 Sate Pool—4101 LGIP Fund represents 100% of the investment portfolio. Since the District only purchases investments with the highest credit rating, the additional concentration is not viewed as 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).

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investments fund in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States Government or are agencies sponsored by the United States Government. The investments in the Local Government Investment Pool are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in the amounts of the fund that were invested. Any realized gain or loss on the portfolio is distributed through the investment yield on investment dates. The carrying amount of the portfolio approximates the fair value of all investments at June 30, 2015. The State of New Mexico is the regulatory oversight agency and participation in the pool is voluntary.

NOTE 4 Receivables

Receivables as of June 30, 2015 are as follow:

	<u>Major Funds</u>					<u>Total</u>
	<u>Operational</u>	<u>Cap. Impr.</u>	<u>Debt</u>	<u>Ed. Tech.</u>	<u>Other</u>	
	11000	SB-9 31700	Service 41000	Debt Service 43000	Governmental Funds	Governmental Funds
Property taxes	\$ 46,326	\$ 175,826	\$ 527,701	\$ 605,449	-	\$ 1,355,302
Due from other governments	-	-	-	-	1,841,375	1,841,375
Other	99,389	-	-	-	-	99,389
Total receivables	<u>\$ 145,715</u>	<u>\$ 175,826</u>	<u>\$ 527,701</u>	<u>\$ 605,449</u>	<u>\$1,841,375</u>	<u>\$ 3,296,066</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$1,155,167 and governmental revenues in the amount of \$395,174 were not collected within the period of availability and have been reclassified as unavailable revenues in the governmental fund financial statements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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 grant reimbursements. The composition of interfund balances at June 30, 2015 is as follows:

Governmental Activities	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Operational (11000)	\$ 2,075,621	\$ -
Non-major Funds:		
Food Services (21000)	-	173,581
Title I IASA (24101)	-	587,742
IDEA B Entitlement (24106)	-	327,089
IDEA B Discretionary (24107)	-	9,338
IDEA B Preschool (24109)	-	11,455
Fresh Fruits and Vegetables (24118)	-	74,746
IDEA B Risk Pool (24120)	-	600
IDEA B Results Plan (24132)	-	370,697
ELL Title III Incentive Awards (24143)	-	2,467
English Language Acquisition (24153)	-	45,787
Teacher/Principal Training & Recruiting (24154)	-	114,633
Safe & Drug Free School & Community (24157)	-	1,594
Rural & Low-Income Schools (24160)	-	25,870
Title I School Improvement (24162)	-	22
Immigrant Funding Title III (24163)	-	19,711
Carl D Perkins - Secondary - Current (24174)	-	14,833
Title I - IASA Federal Stimulus (24201)	-	12,721
Indian Ed Formula Grant (25184)	-	12,786
Dual Credit Instructional Materials (27103)	-	5,966
2012 GO Bonds Student Library Fund (SB66) (27107)	-	15,933
NM Reads to Lead K-3 Initiative (27114)	-	28,289
PreK Initiative (27149)	-	6,359
Indian Education Act (27150)	-	6,785
Breakfast for Elementary Students (27155)	-	11,769
Kindergarten - Three Plus (27166)	-	28,112
After School and Summer Enrichment Program (27168)	-	16,444
2013 School Bus (27178)	-	78,200
NM Grown Fresh Fruits & Vegetables (27183)	-	185
GEAR - UP CHE (28178)	-	44,141
GRADS - Child Care (28190)	-	1,649
School Based Health Center (29130)	\$ -	\$ 26,117
Totals	<u>\$ 2,075,621</u>	<u>\$ 2,075,621</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 6 Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ 3,528,625	\$ -	\$ -	\$ -	\$ 3,528,625
Construction in progress	2,413,662	4,791,913	(3,884,080)	-	3,321,495
Total capital assets not being depreciated	<u>5,942,287</u>	<u>4,791,913</u>	<u>(3,884,080)</u>	<u>-</u>	<u>6,850,120</u>
Capital assets being depreciated:					
Land improvements	4,783,177	3,130,083	-	-	7,913,260
Buildings and building improvements	71,877,167	753,997	-	-	72,631,164
Furniture, fixtures, and equipment	3,802,478	169,079	-	-	3,971,557
Vehicles	-	-	-	-	-
Total capital assets being depreciated	<u>80,462,822</u>	<u>4,053,159</u>	<u>-</u>	<u>-</u>	<u>84,515,981</u>
Less accumulated depreciation:					
Land improvements	46,825	158,706	-	152,858	358,389
Buildings and building improvements	17,157,068	1,605,648	-	(5,435,992)	13,326,724
Furniture, fixtures, and equipment	2,212,024	133,179	-	909,875	3,255,078
Vehicles	-	-	-	-	-
Total accumulated depreciation	<u>19,415,917</u>	<u>1,897,533</u>	<u>-</u>	<u>(4,373,259)</u>	<u>16,940,191</u>
Total capital assets, net of depreciation	<u>\$ 66,989,192</u>	<u>\$ 6,947,539</u>	<u>\$ (3,884,080)</u>	<u>\$ 4,373,259</u>	<u>\$ 74,425,910</u>

Depreciation expense for the year ended June 30, 2015 was unallocated in the amount of \$1,897,533.

The current construction in progress had remaining commitments of approximately \$228,500 at June 30, 2015.

During review of the detail assets, it was determined that deletions of assets had been done several years ago but the correlating accumulated depreciation was not removed. Additionally, some other errors and miscoding were identified and corrected in the current year with a prior period adjustment which resulted in a net increase to net position of \$4,373,259.

NOTE 7 Long-Term Debt

In the government-wide statement of net position the following changes occurred in liabilities during the year ended June 30, 2015:

	Balance at 06/30/14	Additions	Deletions	Balance at 06/30/15	Due Within One Year
General Obligation Bonds	<u>\$ 37,785,000</u>	<u>\$ -</u>	<u>\$ 2,450,000</u>	<u>\$ 35,335,000</u>	<u>\$ 2,615,000</u>

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of sick leave and other compensatory time during the year. However, this leave time is not paid out to the employee when the employee leaves the District. As such, no compensated absence liability should be accrued for the District.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 Long-Term Debt (Continued)

General Obligations Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. As of June 30, 2015, all general obligation bonds are for governmental activities.

The District had three Build America bonds which the federal government pays a portion of the interest on each year. During the year ended June 30, 2015, the federal government paid \$584,958 of interest on these bonds.

Bonds outstanding at June 30, 2015 are comprised of the following:

	Series 2008 GO Bonds <u>12/23/2008</u>	Series 2010A GO Bonds <u>10/5/2010</u>	Series 2010B GO Bonds <u>10/25/2010</u>
Issue Date			
Original Issue	\$9,900,000	\$13,000,000	\$1,100,000
Maturity Date	9/1/2028	9/1/2027	9/1/2030
Principal	1-Sep	1-Sep	1-Sep
Interest Rate	3.5% - 4.5%	4.33% - 5.15%	5.45%
Principal/Interest	1-Sep	1-Sep	1-Sep
Interest	1-Mar	1-Mar	1-Mar
	Series 2013A GO Bonds <u>9/17/2013</u>	Series 2013B GO Bonds <u>9/17/2013</u>	Series 2014 GO Bonds <u>4/8/2014</u>
Issue Date			
Original Issue	\$1,150,000	\$1,000,000	\$13,250,000
Maturity Date	10/1/2016	10/1/2016	9/1/2029
Principal	1-Oct	1-Oct	1-Sep
Interest Rate	0.25% - 1.05%	0.50% - 1.40%	2.00% - 5.00%
Principal/Interest	1-Oct	1-Oct	1-Sep
Interest	1-Apr	1-Apr	1-Mar

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

Fiscal Year Ending June 30,	Series 2008 General Obligation Bond		Total Debt Service
	Principal	Interest	
2016	\$ 485,000	\$ 369,068	\$ 854,068
2017	500,000	350,580	850,580
2018	520,000	330,179	850,179
2019	540,000	306,280	846,280
2020	565,000	281,904	846,904
2021-2025	3,210,000	1,041,053	4,251,053
2026-2029	3,145,000	288,829	3,433,829
Totals	<u>\$ 8,965,000</u>	<u>\$ 2,967,893</u>	<u>\$ 11,932,892</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 Long-Term Debt (Continued)

Series 2010A General Obligation Bond			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 455,000	\$ 669,500	\$ 1,124,500
2017	455,000	669,500	1,124,500
2018	455,000	669,500	1,124,500
2019	455,000	669,500	1,124,500
2020	455,000	669,500	1,124,500
2021-2025	5,815,000	3,347,500	9,162,500
2026-2029	4,000,000	1,673,750	5,673,750
Totals	<u>\$ 12,090,000</u>	<u>\$ 8,368,750</u>	<u>\$ 20,458,750</u>

Series 2010B General Obligation Bond			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ -	\$ 38,967	\$ 38,967
2017	-	38,968	38,968
2018	-	38,967	38,967
2019	-	38,968	38,968
2020	-	38,967	38,967
2021-2025	-	194,838	194,838
2026-2029	800,000	153,567	953,567
2031-2035	300,000	5,314	305,314
Totals	<u>\$ 1,100,000</u>	<u>\$ 548,556</u>	<u>\$ 1,648,556</u>

Series 2013A General Obligation Bond			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 360,000	\$ 1,874	\$ 361,874
2017	50,000	263	50,263
Totals	<u>\$ 410,000</u>	<u>\$ 2,137</u>	<u>\$ 412,137</u>

Series 2013B General Obligation Bond			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 315,000	\$ 2,433	\$ 317,433
2017	50,000	350	50,350
Totals	<u>\$ 365,000</u>	<u>\$ 2,783</u>	<u>\$ 367,783</u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 Long-Term Debt (Continued)

Fiscal Year Ending June 30,	Series 2014 General Obligation Bond		Total Debt Service
	Principal	Interest	
2016	\$ 1,000,000	\$ 486,900	\$ 1,486,900.00
2017	1,035,000	441,025	1,476,025
2018	1,065,000	388,525	1,453,525
2019	1,100,000	334,400	1,434,400
2020	1,140,000	295,500	1,435,500
2021-2025	2,200,000	1,093,250	3,293,250
2026-2029	4,865,000	685,200	5,550,200
Totals	<u>\$ 12,405,000</u>	<u>\$ 3,724,800</u>	<u>\$ 16,129,800</u>

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

Operating Leases – The District leases office equipment, including copy machines and postage meter machines, under short-term cancelable operating leases.

NOTE 8 Unearned Revenue

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor. The District had no unearned revenues at June 30, 2015.

NOTE 9 Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes workers compensation, general and automobile liability, automobile physical damage, and property and crime coverage. Also included under the risk management program are boiler, machinery and student accident insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to depositor’s forgery, credit card forgery, and money orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

In case the NMPSIA’s assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2015, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements 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, 2015:

Fund #	Non-Major Funds	Amount
21000	Food Services	\$ 222,402
24101	Title I IASA	66,622
24106	IDEA-B Entitlement	5,719
24107	IDEA-B Discretionary	9,338
24118	Fresh Fruits and Vegetables USDA	73,847
24132	IDEA-B Results Plan	171,492
24143	ELL Title III Incentive Awards	2,467
24153	English Language Acquisition	45,798
24154	Teacher/Principal Training & Recruiting	124,145
24157	Safe & Drug Free School & Community	1,594
24160	Rural & Low-Income Schools	15,288
24163	Immigrant Funding Title III	19,711
24174	Carl D Perkins Secondary - Current	4,941
24201	Title I - IASA Federal Stimulus	12,721
25184	Indian Ed Formula Grant	11,139
27107	2012 GO Bonds Student Library Fund (SB66)	15,933
27150	Indian Education Act	221
27155	Breakfast for Elementary Students	9,897
27178	2013 School Bus	78,200
28178	GEAR-UP CHE	44,141
28190	GRADS - Instruction	1,649
29130	School Based Health Center	26,117
	Total	<u><u>\$ 963,382</u></u>

B. Excess of expenditures over appropriations: The following funds reported expenditures over appropriations:

Fund #	Fund Name	Function	Amount
Non-Major Funds:			
22000	Athletics	Instruction	\$ 271
24106	IDEA-B Entitlement	Central Services	41,833
24109	IDEA-B Preschool	Support Services - Students	303
24132	IDEA-B Results	Instruction	1,628
27122	Teachers/School Leaders Stipends At-Risk	Instruction	2,367
	Total		<u><u>\$ 46,402</u></u>

C. The District had one fund with cash appropriations in excess of available balances for the year ended June 30, 2015. This was in the Private Direct Grants Fund in the amount \$4,755. See Finding FS 2015-001.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 General Information on the Pension Plan – Educational Retirement Board

In order to not repeat the following information multiple times, all information for the pension plan that relates to the three component units – Anansi Charter School, Taos Charter School, and Vista Grande High School - which participate in the plan will be disclosed in this section with the primary government unit.

Plan Description. ERB was created by the state’s Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees’ Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state’s public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates. ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

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

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

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

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

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

A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the Taos Municipal School District and its component units are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015, employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the Taos Municipal School District were \$1,899,093 for the year ended June 30, 2015. For the related component units those contributions for the year ended June 30, 2015 were as follow: Anansi Charter School - \$100,944; Taos Charter School - \$121,548; and Vista Grande High School - \$83,419.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, the Taos Municipal School District reported a liability of \$29,161,411 for its proportionate share of the net pension liability. The reported liability for the component units are: Anansi Charter School - \$1,280,929; Taos Charter School - \$1,731,110; and Vista Grande High School - \$991,648. The Taos Municipal School District's and its component units' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the Taos Municipal School District's proportion was 0.35894%, which was an increase of 0.00346% from its proportion measured at June 30, 2013. The proportion for Anansi Charter School was 0.02245% which is an increase of 0.00117% from June 30, 2013; Taos Charter School's proportion was 0.03034% which is an increase of 0.00411% from June 30, 2014; and Vista Grande High School's proportion was 0.01738% which was a decrease of 0.00438% from June 30, 2014.

For the year ended June 30, 2015, the Taos Municipal School District recognized pension expense of \$2,189,707. At For the year ended June 30, 2015, the component units recognized the following pension expense: Anansi Charter School - \$107,599; Taos Charter School - \$186,353; and Vista Grande High School recorded a pension income of \$2,173.

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TAOS MUNICIPAL SCHOOL DISTRICT
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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

At June 30, 2015, the Taos Municipal School District and its component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Primary Government	Deferred Outflows of Resources	Deferred Inflows of Resources	Net (Inflows) Outflows
Differences between expected and actuarial experience	\$ -	\$ (434,401)	\$ (434,401)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	(2,650,895)	(2,650,895)
Changes in proportion and differences between Taos Municipal School's contributions and proportionate share of contributions	495,255	-	495,255
Taos Municipal School's contributions subsequent to the measurement date	1,899,093	-	1,899,093
Total	<u>\$ 2,394,348</u>	<u>\$ (3,085,296)</u>	<u>\$ (690,948)</u>
 Anansi Charter School	 Deferred Outflows of Resources	 Deferred Inflows of Resources	 Net (Inflows) Outflows
Differences between expected and actuarial experience	\$ -	\$ (19,081)	\$ (19,081)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	(116,439)	(116,439)
Changes in proportion and differences between Anansi Charter School's contributions and proportionate share of contributions	54,504	-	54,504
Anansi Charter School's contributions subsequent to the measurement date	100,944	-	100,944
Total	<u>\$ 155,448</u>	<u>\$ (135,520)</u>	<u>\$ 19,928</u>
 Taos Charter School	 Deferred Outflows of Resources	 Deferred Inflows of Resources	 Net (Inflows) Outflows
Differences between expected and actuarial experience	\$ -	\$ (25,789)	\$ (25,789)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	(157,377)	(157,377)
Changes in proportion and differences between Taos Charter School's contributions and proportionate share of contributions	191,481	-	191,481
Taos Charter School's contributions subsequent to the measurement date	121,548	-	121,548
Total	<u>\$ 313,029</u>	<u>\$ (183,166)</u>	<u>\$ 129,863</u>

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Vista Grande High School	Deferred Outflows of Resources	Deferred Inflows of Resources	Net (Inflows) Outflows
	<u> </u>	<u> </u>	<u> </u>
Differences between expected and actuarial experience	\$ -	\$ (14,774)	\$ (14,774)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	(90,159)	(90,159)
Changes in proportion and differences between Vista Grande High School's contributions and proportionate share of contributions	-	(204,076)	(204,076)
Vista Grande High School's contributions subsequent to the measurement date	83,419	-	83,419
Total	<u>\$ 83,419</u>	<u>\$ (309,009)</u>	<u>\$ (225,590)</u>

Deferred outflows of resources related to pensions resulting from Taos Municipal School District's and its component units contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Primary Government:

Year ended June 30,	
2016	\$ 641,598
2017	641,598
2018	644,133
2019	662,712
2020	-
Thereafter	-
Total	<u>\$ 2,590,041</u>

Anansi Charter School:

Year ended June 30,	
2016	\$ 16,810
2017	16,810
2018	18,286
2019	29,110
2020	-
Thereafter	-
Total	<u>\$ 81,016</u>

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Taos Charter School:

Year ended June 30,	
2016	\$ (18,191)
2017	(18,191)
2018	(11,287)
2019	39,354
2020	-
Thereafter	-
Total	<u><u>\$ (8,315)</u></u>

Vista Grande High School:

Year ended June 30,	
2016	\$ 98,525
2017	98,525
2018	89,406
2019	22,553
2020	-
Thereafter	-
Total	<u><u>\$ 309,009</u></u>

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

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

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

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

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

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

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

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

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

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

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

Anansi Charter School:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Anansi Charter School's proportionate share of the net pension liability	\$ 1,742,853	\$ 1,280,930	\$ 895,075

Anansi Charter School:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Anansi Charter School's proportionate share of the net pension liability	\$ 1,742,853	\$ 1,280,930	\$ 895,075

Taos Charter School:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Taos Charter School's proportionate share of the net pension liability	\$ 2,355,377	\$ 1,731,112	\$ 1,209,764

Vista Grande High School:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Vista Grande High School's proportionate share of the net pension liability	\$ 1,349,253	\$ 991,649	\$ 693,057

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NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

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

Payables to the pension plan. Taos Municipal School District has no outstanding liability to the pension plan at June 30, 2015.

Anansi Charter School had an outstanding liability of \$31,560 to the pension plan at June 30, 2015 which was paid on July 14, 2015.

Taos Charter School had an outstanding liability of \$39,712 to the pension plan at June 30, 2015 which was paid on July 14, 2015.

Vista Grande High School had an outstanding liability of \$22,748 to the pension plan at June 30, 2015 which was paid on July 15, 2015.

NOTE 12 Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

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

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

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NOTE 12 Post-Employment Benefits – State Retiree Health Care Plan (Continued)

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

The District's contributions to the RHCA for the years ended June 30, 2015, 2014, and 2013, were \$273,127, \$281,169, and \$270,040 respectively, which equal the required contributions for each year.

NOTE 13 Contingent Liabilities

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

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

NOTE 14 Subsequent Accounting Standard Pronouncements

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

In February 2015, GASB Statement No. 71, *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement provide guidance for determining a fair value measurement for financial reporting purposes to enhance comparability of financial statements among governments in financial reporting periods beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement established requirements for defined benefit pensions that are not within the scope of Statement No. 68 in financial reporting periods beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

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NOTE 14 **Subsequent Accounting Standard Pronouncements (Continued)**

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

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

In June 2015, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP) which supersedes Statement No. 55 and is effective for fiscal years beginning after June 15, 2015 and should be applied retroactively. Early application is permitted. The District is still evaluating how this standard will affect the District.

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

NOTE 15 **Restatement/Prior Period Adjustments**

During the year ended June 30, 2015, there was a restatement in the District's financial statements due to the implementation of GASB 68 and GASB 71 and adjustments to District's capital assets resulting in a reduction in net position in the amount of \$25,188,486.

The change in accounting principle resulted in a reduction in net position of \$29,561,745. This includes the District's proportionate share of the beginning net pension liability of \$31,413,135 less the 2014 contributions to the pension plan in the amount of \$1,851,390.

During review of the District's capital assets, it was determined that accumulated depreciation related to assets removed previously was not removed at the same time and additional adjustments were needed. The net change to capital assets resulted in an increase in net position of \$4,373,259.

The change in accounting principle resulted in reductions in net position for Anansi Charter School in the amount of \$1,254,346. This includes the School's proportionate share of the beginning pension liability of \$1,335,716 less the 2014 contributions to the pension plan in the amount of \$81,370.

Taos Charter School had a reduction in net position in the amount of \$1,536,442 due to the change in accounting principle. This includes the School's proportionate share of beginning pension liability of \$1,646,420 less the 2014 contributions to the plan in the amount of \$109,978.

The change in accounting principle resulted in reductions in net position for Vista Grande High School in the amount of \$1,302,830. This includes the School's proportionate share of the beginning pension liability of \$1,365,845 less the 2014 contributions to the pension plan in the amount of \$63,015.

NOTE 16 **Subsequent Events**

A review of subsequent events through November 09, 2015, the date the financial statements were available to be issued, indicated nothing of audit significance for the primary government. See note for component unit Friends of Anansi Charter School, C. Long Term Debt below for subsequent borrowing.

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NOTE 17 **Component Units**

Anansi Charter School

Anansi Charter School (ACS) is a dependent charter school formed under NMSA 22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. ACS is presented as a component unit since its operating budget and charter are annually presented and approved by the District’s board. The New Mexico State Auditor has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 16 for significant policies of ACS, as the charter school is subject to the same State and Federal regulations and follows the same policies as the District. The following are summarized details of the charter school’s balances and transactions as of June 30, 2015 and for the year then ended:

A. Revenues

State Equalization Guarantee: ACS received \$1,285,992 in state equalization guarantee distributions during the year ended June 30, 2015.

Instructional Materials: Allocations received by ACS from the State for the year ended June 30, 2015 totaled \$10,100.

SB-9 State Match: ACS received \$22,398 in state SB-9 matching during the year ended June 30, 2015.

Public School Capital Outlay: ACS received \$85,834 in awards for rent assistance.

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

	US Bank
Total amounts of deposits	\$ 118,117
FDIC coverage	118,117
Total uninsured public funds	-
Collateral requirement (50% of uninsured public funds)	-
Pledged security	-
Total over (under) collateralized	\$ -

Funds are maintained in an interest bearing checking account.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, Anansi Charter School’s deposits may not be returned to it. The School 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). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2015, none of the Charter’s bank balance of \$118,117 was exposed to custodial credit risk

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 Component Units (Continued)

Anansi Charter School (continued)

B. Cash and Temporary Investments

Reconciliation of Cash and Temporary Investments

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

Reconciliation to Statement of Net Position	
Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 93,551
Add outstanding checks and other reconciling items	<u>24,566</u>
Bank balance of deposits	<u><u>\$ 118,117</u></u>

C. Receivables

Receivables for ACS as of June 30, 2015 are as follow:

	Operational 11000	IDEA-B Entitlement 24106	Bond Building 31100	Public School Cap. Outlay 31200	Cap. Impr. SB-9 31700	Total Governmental Funds
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 132,533	\$ 132,533
Due from other governments	<u>2,168</u>	<u>6</u>	<u>20,688</u>	<u>21,459</u>	<u>-</u>	<u>44,321</u>
Total receivables	<u><u>\$ 2,168</u></u>	<u><u>\$ 6</u></u>	<u><u>\$ 20,688</u></u>	<u><u>\$ 21,459</u></u>	<u><u>\$ 132,533</u></u>	<u><u>\$ 176,854</u></u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$76,901 were not collected within the period of availability and have been reclassified as unavailable revenues in the governmental fund financial statements.

D. Capital Assets

A summary of ACS's capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Construction in progress	<u>\$ 102,107</u>	<u>\$ 193,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 295,306</u>
Capital assets being depreciated:					
Furniture, fixtures, and equipment	<u>61,876</u>	<u>17,943</u>	<u>-</u>	<u>-</u>	<u>79,819</u>
Less accumulated depreciation:					
Furniture, fixtures, and equipment	<u>37,142</u>	<u>6,487</u>	<u>-</u>	<u>-</u>	<u>43,629</u>
Total capital assets, net of depreciation	<u><u>\$ 126,841</u></u>	<u><u>\$ 204,655</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 331,496</u></u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 Component Units (Continued)

Anansi Charter School (continued)

D. Capital Assets

During the year under audit, FACS borrowed \$1,000,000 from a local financial institution for construction of an addition to the building which houses Anansi Charter School. This loan was paid off in July 2015 after the Foundation closed a loan with the USDA for \$1,015,000 which has a term of 40 years with monthly payments of \$4,243. The loan carries an interest rate of 4.0%.

Depreciation expense for the year ended June 30, 2015 was unallocated in the amount of \$6,487.

The current construction in progress, which is joint effort with the Friends of Anansi, had remaining commitments of approximately \$15,000 at June 30, 2015.

Once the construction is completed, the assets will transfer to Friends of Anansi Charter School, which currently holds title to the building, where they will remain until the 20 year lease on the building is complete. At that time, all capital assets of Friends of Anansi Charter School will transfer back to ACS for the remainder of their life.

E. Long-Term Debt

Compensated Absences – The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

F. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosure as part of the Combined Statements of certain information concerning individual funds including:

1. Deficit fund balances of individual funds at June 30, 2015 are as follow:

Fund #	Fund Description	Amount
24106	IDEA-B Entitlement	\$ 24,520
27115	Robotics 2012	14,908
31100	Bond Building	52,480
	Total	<u>\$ 91,908</u>

2. Excess of expenditures over appropriations. No funds exceeded budgetary authority at June 30, 2015.
3. ACS had no cash appropriations in excess of available balances for the year ended June 30, 2015.

G. Prepaid Lease Expense.

In May of 2010, Anansi Charter School Paid \$931,562 to the Friends of Anansi Charter School. The funds were used by the Friends of Anansi Charter School to construct and improve real estate which is leased by ACS. The payment represents prepayment of the lease expense for the twenty year period beginning July 1, 2010. Anansi Charter School will amortize the lease payment at the rate of \$3,882 per month. During the year ended June 30, 2015, ACS amortized \$46,584 of the prepaid lease expense.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Anansi Charter School (continued)

H. Post-Employment Benefits- State Retiree Health Care Plan

The School’s contributions to Retiree Healthcare for the year ended June 30, 2015, 2014, and 2013 were \$14,526, \$12,376, and \$11,608, respectively, which equal the required contributions for each year.

Friends of Anansi Charter School – Component Unit of Anansi Charter School

Friends of Anansi Charter School, Inc. (Foundation) is a legally separate, tax exempt component unit of Anansi Charter School. The Council is the basic level of government, which has oversight responsibility and control over all activities related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Anansi Charter School. The Foundation received funds from renting facilities to ACS, donations, and fund raising.

The Foundation’s financial statements include all entities over which the Board exercises oversight responsibility. Oversight includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component unit and no fiduciary units were included in the financial statements.

The Foundation is reported as a discretely presented component unit of Anansi Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity, and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB No. 14. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity, and this has been taken into consideration in the determination.

A. Cash and Temporary Investments

Reconciliation to Statement of Net Position	
Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 91,930
Add outstanding checks and other reconciling items	<u>7,598</u>
Bank balance of deposits	<u><u>\$ 99,528</u></u>

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Friends of Anansi Charter School (continued)

B. Capital Assets

A summary of the Foundation's capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ 587,500	\$ -	\$ -	\$ -	\$ 587,500
Construction in progress	23,271	1,002,913	-	-	1,026,184
Total capital assets not being depreciated	<u>610,771</u>	<u>1,002,913</u>	<u>-</u>	<u>-</u>	<u>1,613,684</u>
Capital assets being depreciated:					
Land improvements	37,461	-	-	-	37,461
Buildings and building improvements	1,984,856	-	-	-	1,984,856
Furniture, fixtures, and equipment	23,624	-	-	-	23,624
Total capital assets being depreciated	<u>2,045,941</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,045,941</u>
Less accumulated depreciation:					
Land improvements	7,895	2,632	-	-	10,527
Buildings and building improvements	223,507	56,071	-	-	279,578
Furniture, fixtures, and equipment	22,594	7,081	-	-	29,675
Total accumulated depreciation	<u>253,996</u>	<u>65,784</u>	<u>-</u>	<u>-</u>	<u>319,780</u>
Total capital assets, net of depreciation	<u>\$ 2,402,716</u>	<u>\$ 937,129</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,339,845</u>

The current construction in progress had remaining commitments of approximately \$25,000 at June 30, 2015.

Depreciation expense for the year ended June 30, 2015 was \$65,784 and was unallocated.

At the end of the lease term, June 30, 2030, the land, building, and all improvements will transfer to Anansi Charter School in compliance with the terms of the agreement and in compliance with state requirements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Friends of Anansi Charter School (continued)

C. Long-Term Debt

The Foundation borrowed \$1,800,000 for the purpose of financing the construction of the Anansi Charter School buildings. Funding to pay the debt is from rent charged to the charter school for use of the buildings. The annual requirements to retire this loan as of June 30, 2015 are as follows:

Date of issue: March 19, 2008
 Original amount: \$1,800,000
 Interest rate: 4.375%

Fiscal Year Ending June 30,	Series 2003 General Obligation Bond		Total Debt Service
	Principal	Interest	
2016	\$ 28,586	\$ 67,750	\$ 96,336
2017	29,861	66,475	96,336
2018	31,195	65,140	96,335
2019	32,587	63,749	96,336
2020	34,041	62,295	96,336
2021-2025	194,404	287,276	481,680
2026-2029	241,844	239,836	481,680
2031-2035	300,859	180,821	481,680
2036-2040	374,277	107,403	481,680
2041-2044	293,926	22,137	316,063
Totals	<u>\$ 1,561,580</u>	<u>\$ 1,162,882</u>	<u>\$ 2,724,462</u>

The Foundation has been paying additional principal payments since 2010 with the intent of paying off the loan by June 30, 2030 so that the loan is extinguished when the lease on the property expires and the property transfers to Anansi Charter School.

During the year under audit, FACS borrowed \$1,000,000 from a local financial institution for construction of an addition to the building which houses Anansi Charter School. This loan was paid off in July 2015 after the Foundation closed a loan with the USDA for \$1,015,000 which has a term of 40 years with monthly payments of \$4,243. The loan carries an interest rate of 4.0%.

Compensated absences: The Foundation does not accrue a liability for compensated absences as it has no employees.

D. Deferred Lease Income

In May of 2010, Friends of Anansi Charter School received \$931,562 from the New Mexico Public Schools Facility Authority. The payment was for advance lease payments for real property from Anansi Charter School. The proceeds were used for construction and improvements of the real property leased to Anansi Charter School. The Foundation will recognize the deferred lease income at the rate of \$3,882 per month over a twenty year period beginning July 1, 2010. During the year ended June 30, 2015, the Foundation recognized \$46,584 of the deferred lease income.

E. Pension Plan – Educational Retirement Act

The Foundation does not participate in ERB.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Friends of Anansi Charter School (continued)

F. Post-Employment Benefits- State Retiree Health Care Plan

The Foundation does not participate in RHCA.

G. Income Taxes

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Service Code.

H. Financial Statement Presentation

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position: Unrestricted Net Position, Temporarily Restricted Net Position, and Permanently Restricted Net Position. In addition, the Foundation is required to present a statement of cash flows.

I. Statement of Cash Flows

For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Taos Charter School

Taos Charter School (TCS) is a dependent charter school formed under NMSA 22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. TCS is presented as a component unit since its operating budget and charter are annually presented and approved by the District's board. The New Mexico State Auditor has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 16 for significant policies of TCS, as the charter school is subject to the same State and Federal regulations and follows the same policies as the District. The following are summarized details of the charter school's balances and transactions as of June 30, 2015 and for the year then ended.

A. Revenues

State Equalization Guarantee: TCS received \$1,473,111 in state equalization guarantee distributions during the year ended June 30, 2015.

Instructional Materials: Allocations received by TCS from the State for the year ended June 30, 2015, totaled \$15,154

SB-9 State Match: TCS received \$41,848 in state SB-9 matching during the year ended June 30, 2015.

Public School Capital Outlay: TCS received \$142,100 in awards for rent assistance.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Taos Charter School (continued)

B. Cash and Temporary Investments

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

	US Bank
Total amounts of deposits	\$ 192,309
FDIC coverage	192,309
Total uninsured public funds	-
Collateral requirement (50% of uninsured public funds)	-
Pledged security	-
Total over (under) collateralized	\$ -

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Anansi Charter School's deposits may not be returned to it. The School 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). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2015, none of the Charter's bank balance of \$192,309 was exposed to custodial credit risk

Reconciliation of Cash and Temporary Investments

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

Reconciliation to Statement of Net Position	
Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 152,535
Add outstanding checks and other reconciling items	39,774
Bank balance of deposits	\$ 192,309

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Taos Charter School (continued)

B. Receivables

Receivables for TCS as of June 30, 2015 are as follow:

	IDEA-B		Total
	Entitlement	Teacherage	Governmental
	24106	31700	Funds
Property taxes	\$ -	\$ 239,190	\$ 239,190
Due from other governments	24,711.00	-	24,711
Total receivables	<u>\$ 24,711</u>	<u>\$ 239,190</u>	<u>\$ 263,901</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$139,464 were not collected within the period of availability and have been reclassified as unavailable revenues in the governmental fund financial statements.

C. Capital Assets

A summary of TCS's capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Construction in progress	364,140	482,673	(846,813)	-	-
Total capital assets not being depreciated	<u>614,140</u>	<u>482,673</u>	<u>(846,813)</u>	<u>-</u>	<u>250,000</u>
Capital assets being depreciated:					
Land improvements	-	637,500	-	-	637,500
Buildings and building improvements	1,058,421	209,313	-	-	1,267,734
Furniture, fixtures, and equipment	25,465	71,659	-	-	97,124
Vehicles	-	-	-	-	-
Total capital assets being depreciated	<u>1,083,886</u>	<u>918,472</u>	<u>-</u>	<u>-</u>	<u>2,002,358</u>
Less accumulated depreciation:					
Land improvements	-	-	-	-	-
Buildings and building improvements	181,615	52,664	-	-	234,279
Furniture, fixtures, and equipment	11,584	7,334	-	-	18,918
Vehicles	-	-	-	-	-
Total accumulated depreciation	<u>193,199</u>	<u>59,998</u>	<u>-</u>	<u>-</u>	<u>253,197</u>
Total capital assets, net of depreciation	<u>\$ 1,504,827</u>	<u>\$ 1,341,147</u>	<u>\$ (846,813)</u>	<u>\$ -</u>	<u>\$ 1,999,161</u>

The current construction in progress had remaining commitments of approximately \$20,000 at June 30, 2015.

Depreciation expense for the year ended June 30, 2015 was \$59,998 and was unallocated.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Taos Charter School (continued)

D. Long-Term Debt

Compensated Absences – The Charter does not accrue a liability for compensated absences. Employees are contracted on an annual basis with all contracts being fully executed by the end of the year. Also, the current leave policy does not award any leave upon termination or retirement.

E. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosure as part of the combined statements of certain information concerning individual funds including:

1. Deficit fund balances of individual funds at June 30, 2015 are as follow:

Fund #	Fund Description	Amount
24106	IDEA-B Entitlement	\$ 24,712
27107	2012 GO Bonds Student Library Funds	853
31700	Capital Improvements - SB-9	5,403
	Total	<u>\$ 30,968</u>

2. Excess of expenditures over appropriations. At June 30, 2015 TCS had two funds with expenditures over budet:

Fund #	Fund Description and Function	Amount
11000	Operational - Support Services - General Administration	\$ 233
31700	Capital Improvements - SB-9 - Capital Outlay	101,942
	Total	<u>\$ 102,175</u>

3. TCS had no cash appropriations in excess of available balances for the year ended June 30, 2015.

F. Post-Employment Benefits- State Retiree Health Care Plan

The School’s contributions to Retiree Healthcare for the year ended June 30, 2015, 2014, and 2013 were \$17,490, \$16,728, and \$14,302 respectively, which equal the required contributions for each year.

Friends of Taos Charter School – Component Unit of Taos Charter School

Friends of Taos Charter School, Inc. (Foundation) is a legally separate, tax-exempt component of Taos Charter School. The Council is the basic level of government, which has oversight responsibility and control over all activates related to the Foundation. The Foundation operates for the purpose of providing supporting funds to the Taos Charter School. The Foundation received funds from tenting facilities to the Charter, donations and fund raising.

The Foundation’s financial statements include all entities over which the Board exercises oversight responsibility. Oversight includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component unit and no fiduciary units were included in the financial statements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Friends of Taos Charter School (continued)

The Foundation is reported as a discretely presented component unit of Taos Charter School, as required in accordance with GASB Statement No. 14, The Financial Reporting Entity, and GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB No. 14. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity, and this has been taken into consideration in the determination.

A. Cash and Temporary Investments

Reconciliation to Statement of Net Position

Governmental Funds - Balance Sheet

Cash and cash equivalents per Exhibit A-1	96,016
Add outstanding checks and other reconciling items	1,002
Bank balance of deposits	\$ 97,018

B. Receivables

At June 30, 2015, the Foundation had receivables of \$23,683 which comprised a lease payment from Taos Charter School which was in transit at year-end, and was received July 1, 2015.

C. Capital Assets

A summary of the Foundation's capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets being depreciated:					
Buildings and building improvements	\$ 734,956	\$ -	\$ -	\$ -	\$ 734,956
Less accumulated depreciation:					
Buildings and building improvements	146,992	18,374	-	-	165,366
Total capital assets, net of depreciation	\$ 587,964	\$ (18,374)	\$ -	\$ -	\$ 569,590

The Foundation had no construction commitments at June 30, 2015.

D. Long-Term Debt

Compensated absences: The Foundation does not accrue a liability for compensated absences as it has no employees.

E. Pension Plan – Educational Retirement Act

The Foundation does not participate in ERB.

F. Post-Employment Benefits- State Retiree Health Care Plan

The Foundation does not participate in RHCA.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Friends of Taos Charter School (continued)

G. Income Taxes

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Service Code.

H. Financial Statement Presentation

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net position: Unrestricted Net Position, Temporarily Restricted Net Position, and Permanently Restricted Net Position. In addition, the Foundation is required to present a statement of cash flows.

I. Statement of Cash Flows

For the purpose of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Vista Grande High School

Vista Grande High School (VGHS) is a dependent charter school formed under NMSA 22-8A and as such is presented here as a discrete component unit of Taos Municipal School District. VGHS is presented as a component unit since its operating budget and charter are annually presented and approved by the District's board. The New Mexico State Auditor has determined that charter schools are major component units of their respective Districts. Refer to Notes 1 through 16 for significant policies of VGHS, as the charter school is subject to the same State and Federal regulations and follows the same policies as the District. The following are summarized details of the charter school's balances and transactions as of June 30, 2015 and for the year then ended.

A. Revenues

State Equalization Guarantee: VGHS received \$949,741 in state equalization guarantee distributions during the year ended June 30, 2015.

Instructional Materials: Allocations received by VGHS from the State for the year ended June 30, 2015 totaled \$5,976.

SB-9 State Match: VGHS received \$0 in state SB-9 matching during the year ended June 30, 2015.

Public School Capital Outlay: VGHS received \$45,814 in awards for rent assistance.

B. Cash and Temporary Investments

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Vista Grande High School (continued)

B. Cash and Temporary Investments (continued)

	Cenentinel Bank
Total amounts of deposits	\$ 372,942
FDIC coverage	250,000
Total uninsured public funds	122,942
Collateral requirement (50% of uninsured public funds)	61,471
Pledged security	205,000
Total over (under) collateralized	\$ 143,529

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Anansi Charter School’s deposits may not be returned to it. The School 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). State law limits deposits of public monies to certain banks or credit unions. In addition, the depository must pledge eligible collateral to the extent of 50% of the balance of uninsured funds. At June 30, 2015, \$122,942 of Vista Grande’s bank balance of \$372,942 was exposed to custodial credit risk.

Reconciliation of Cash and Temporary Investments

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

Reconciliation to Statement of Net Position	
Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	322,921
Statement of Fiduciary Net Position - cash per Exhibit D-1	2,612
Total per financial statements	325,533
Add outstanding checks and other reconciling items	47,409
Bank balance of deposits	\$ 372,942

C. Receivables

There were no receivables for VGHS as of June 30, 2015.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Vista Grande High School (continued)

D. Capital Assets

A summary of VGHS's capital assets and changes occurring during the year ended June 30, 2015 follows:

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 73,398	\$ 58,172	\$ (131,570)	\$ -	\$ -
Capital assets being depreciated:					
Leashold improvements	-	131,570	-	-	131,570
Furniture, fixtures, and equipment	66,725	-	-	-	66,725
Total capital assets being depreciated	66,725	131,570	-	-	198,295
Less accumulated depreciation:					
Leashold improvements	-	6,579	-	-	6,579
Furniture, fixtures, and equipment	23,472	9,574	-	-	33,046
Total accumulated depreciation	23,472	16,153	-	-	39,625
Total capital assets, net of depreciation	\$ 116,651	\$ 173,589	\$ (131,570)	\$ -	\$ 158,670

The current construction in progress had no commitments at June 30, 2015.

Depreciation expense for the year ended June 30, 2015 was \$16,153 which was unallocated.

E. Long-Term Debt

Compensated Absences – The School provides leave which it will pay out on request upon leaving employment. The liability related to that is listed below. During fiscal year ended June 30, 2015, compensated absences decreased \$1,500 over the prior period adjustment. Changes to compensated absences occurring during the year ended June 30, 2015 are as follow:

	Balance at 06/30/14	Additions	Deletions	Balance at 06/30/15	Due Within One Year
Compensated Absences	\$ 5,275	\$ 6,075	\$ 7,575	\$ 3,775	\$ 3,775

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17. Component Units (Continued)

Vista Grande High School (continued)

F. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosure as part of the Combined Statements of certain information concerning individual funds including:

1. Deficit fund balances of individual funds at June 30, 2015 are as follow:

Fund #	Fund Description	Amount
14000	IDEA-B Entitlement	\$ 623
27106	2010 GO Bonds Student Library Funds (SB1)	2,021
31100	Bond Building	34,436
31200	Public School Capital Outlay	56,723
31700	Capital Improvements - SB-9	10,704
	Total	<u>\$ 104,507</u>

2. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2015:

Fund #	Fund Description and Function	Amount
11000	Operational - Instruction	\$ 4,355
31100	Bond Building - Capital Outlay	223,972
	Total	<u>\$ 228,327</u>

The school did not establish a budget in Fund 31100 Bond Building and the amount listed above would represent a total expenditure over appropriation.

3. VGHS had no cash appropriations in excess of available balances for the year ended June 30, 2015.

G. Post-Employment Benefits- State Retiree Health Care Plan

The School's contributions to Retiree Healthcare for the year ended June 30, 2015, 2014, and 2013 were \$12,231, \$9,818, and \$11,812 respectively, which equal the required contributions for each year.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 482,724	\$ 587,423	\$ 1,070,147
Accounts receivable			
Taxes	-	-	-
Due from other governments	1,841,375	-	1,841,375
Interfund receivables	-	-	-
Other	-	-	-
Deposits	10,582	-	10,582
Inventory	16,992	-	16,992
	<u>2,351,673</u>	<u>587,423</u>	<u>2,939,096</u>
<i>Total assets</i>			
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	61,484	53,626	115,110
Accrued payroll liabilities	236,397	-	236,397
Interfund payables	2,075,621	-	2,075,621
Unearned revenue	-	-	-
	<u>2,373,502</u>	<u>53,626</u>	<u>2,427,128</u>
<i>Total liabilities</i>			
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - other	395,174	-	395,174
	<u>395,174</u>	<u>-</u>	<u>395,174</u>
<i>Total deferred inflows of resources</i>			
FUND BALANCES			
Nonspendable	16,992	-	16,992
Restricted for:			
Grant mandates	-	-	-
Capital projects	-	533,797	533,797
Debt service	-	-	-
Assigned	-	-	-
Unassigned	(433,995)	-	(433,995)
	<u>(417,003)</u>	<u>533,797</u>	<u>116,794</u>
<i>Total fund balances</i>			
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 2,351,673</u>	<u>\$ 587,423</u>	<u>\$ 2,939,096</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	742,441	-	742,441
Federal grants	4,139,427	-	4,139,427
Miscellaneous	7,832	-	7,832
Charges for services	206,139	-	206,139
Investment Income	-	443	443
<i>Total revenues</i>	<u>5,095,839</u>	<u>443</u>	<u>5,096,282</u>
<i>Expenditures:</i>			
Current:			
Instruction	2,678,028	-	2,678,028
Support services			
Students	471,089	-	471,089
Instruction	16,024	-	16,024
General administration	244,210	-	244,210
School administration	94,711	-	94,711
Central services	103,124	-	103,124
Operation & maintenance of plant	7,144	-	7,144
Student transportation	135,811	-	135,811
Other support services	-	-	-
Food services operations	1,720,762	-	1,720,762
Community service	-	-	-
Capital outlay	-	494,414	494,414
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>5,470,903</u>	<u>494,414</u>	<u>5,965,317</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(375,064)</u>	<u>(493,971)</u>	<u>(869,035)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(375,064)</u>	<u>(493,971)</u>	<u>(869,035)</u>
<i>Fund balances - beginning of year</i>	(41,939)	1,027,768	985,829
<i>Prior period adjustment</i>	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(41,939)</u>	<u>1,027,768</u>	<u>985,829</u>
<i>Fund balances - end of year</i>	<u>\$ (417,003)</u>	<u>\$ 533,797</u>	<u>\$ 116,794</u>

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

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

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

Food Services (21000) - This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

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.

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

IDEA-B Entitlement (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by 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.

IDEA-B Discretionary (24107) – To provide grants to states that flow-through to schools to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

New Mexico Autism Project (24108) – To provide funds for research based programs for Autism provided through the New Mexico Public Education Department.

IDEA-B Preschool (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.

Fresh Fruits and Vegetables (24118) –To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B Risk Pool (24120) – Funding for students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district.

IDEA-B Results Plan (24132) – Funding for support activities included the Education Plan for Student Success for Ranchos Elementary School and Enos Elementary School.

Enhancing Education Thru Tech (E2T2-F) (24133) – To account for a federal grant designed to strengthen teacher learning in the field of technology.

ELL Title III Incentive Awards (24143) – To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native American Pacific Islander, Native Hawaiian, and Alaskan natives children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skill of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101-3129.

Title V-Part A Innovative Ed Pro Strategies (24150) – To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title V, as amended, 20 U.S.C. 7301-7373

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

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

Safe & Drug Free Schools & Community (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. The authority for creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A Subpart 1, as amended. 20 U.S.C. 7111-7118.

21st Century Community Living Centers (24159) – After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral serves, drug prevention education, academic help, and character building (social skills) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

Rural & Low-Income Schools (24160) – To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B.

Title I School Improvement (24162) – To account for funds used to provide financial assistance to districts to purchase and install educational materials and systems to help improve the quality of teaching and learning in their schools. (Authority: PL 100-297)

Immigrant Funding-Title III (24163) – To ensure that limited English proficient children and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA, as amended, Title III, Part A, Sections 3101, 3129.

Carl D Perkins Special Projects-JAG (24171) – Basic grant to assist states and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special needs populations. Authorized by Carl D Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 U.S.C. 2301, et seq.

Carl D Perkins Secondary Current (24174) – To account for federal funds to provide vocational and technical education for secondary education. (Authority: P.L. 105-332).

Carl Perkins Secondary – Redistribution (24176) – Redistribution for the program as described above in (24174). (Authority: P.L. 105-332).

Title I-IASA Federal Stimulus (24201) – To account for the American Recovery and Reinvestment Act of 2009 (ARRA) funding for Title I Part A to meet the educational needs of the District. Authority for creation of this fund Title I of the Elementary and Secondary Education Act and the General Education Provisions Act (P.L. 103-382) , Title I regulations in 34 CFR Part 200, EDGAR in 34 Parts 76 (except for 76.650 – 76.662), 77,80,81,82 and 85.

IDEA-B Entitlement Federal Stimulus (24206) – To account for a program funded by the American Recovery and Reinvestment Act 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.

Impact Aid Special Education (25145) – To account for a program funded by a Federal grant to provide financial assistance to local educational agencies (LEAs) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 8002, ESEA), where there are a significant number of children who reside on Federal (including Native American) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Sections 8003 and 8007, ESEA), where there is a sudden increase in school enrollment as the result of Federal activities (Section 8006, ESEA). To provide disaster assistance for reduced or increased operating costs for replacing or repairing damaged or destroyed support equipment and books and for repairing minor damage to facilities. Funding is authorized by the Elementary and Secondary Education Act, Title VIII, as amended.

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

GRADS Child Care CYFD (25149) – To account for a Public Education Department grant through Children, Youth, and Families Department to provide for the maintenance and expansion of the teen parent programs. Authorized by the School Board and the New Mexico Public Education Department.

Title XIX Medicaid 3/21 Years (25153) – To provide school-based screening, diagnostic services and other related health services and administrative activities in accordance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. (P.L. 105-33)

TANF/GRADS HSD (25162) – To assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

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

Education Jobs Fund – Federal Stimulus (25255) – Funding to promote jobs and education for all students.

ENLACE-UNM (26103) – Programs centered on family and community engagement, student to student mentoring, institution of sound educational policies, development of culturally relevant curricula, and professional development for teachers.

LANL Foundation (26113) – To account for monies received from Los Alamos National Labs Foundation responding to the urgent needs in Northern New Mexico by assisting with small requests for community, cultural or educational projects. Authorization is the creation of the fund by PED and Authorization by the Foundation.

Intel Foundation (26116) – To assist schools in education by reducing the student to teacher ratio.

Northern NM Network – Teacher Incentive Fund (26182) – To account for a grant to purchase software for the STAR early literacy program.

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

2010 GO Bonds – Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO Bonds Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

New Mexico Reads to Lead K-3 Reading Initiative (27114) – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

TANF PED (27115) – Funding for the TANF Program through the Public Education Department to promote job preparation and work.

Technology for Education PED (27117) – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Obesity Program – PED (27120) – To provide for physical activities before and after school.

Teachers/School Leaders Stipends At-Risk (27122) – To provide stipends for teachers moving from schools with ratings of A and B to schools with ratings of D and F.

TANF Full Day Kindergarten (27136) – The purpose of this grant is to assist the District to develop and implement a full day kindergarten program.

Incentives for School Improvement Act – PED (27138) – To account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools.

Summer Bridge (27144) – To account for revenues and expenditures from a state grant to provide funding for summer programs.

PreK Initiative (27149) – The Pre-K Initiative program provides high-quality early childhood services (in accordance with the NM Pre-K standards) to four year old children in need. Authorized through 32A-23-1 NMSA 1978.

Indian Education Act (27150) – To account for funding provided by New Mexico Legislature through the New Mexico Public Education Department supporting various Exemplary Culture Based Education programs.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority from creation of this fund is NMSA 22-2-8-10.

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

Kindergarten – Three Plus (27166) - In 2007, Representative Mimi Stewart sponsored House Bill 198 to establish a fund to allow New Mexico public schools and districts to develop a six year pilot project that extends to the school year for kindergarten through third grade by up to two months for participating students to measure the effect of additional time on literacy, numeric and social skills development.

After School and Summer Enrichment Program (27168) The purpose of this award is to create learning centers that will provide students with a broad range of exceptional, school-linked learning and developmental opportunities, designed to complement the students’ regular academic program. Funding for this program is provided through the New Mexico Public Education Department, Special Appropriation Fund.

2013 School Bus (27178) – To account for funds provided by New Mexico Public Education Department to purchase school buses.

NM Grown Fresh Fruits and Vegetables (27183) – To account for funds provided by New Mexico Public Education Department to purchase New Mexico locally grown fresh fruits and vegetables for school meal programs.

Next Generation Assessments (27185) – To account for funds provided by the New Mexico Public Education Department to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Career assessment requirements.

School Library Material Fund FY 08 (27549) – Funds awarded to the District by the Instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books. Authorized by the School Board and 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.

Healthier Schools (28155) – To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health.

Office of Cultural Affairs (28177) – To fund activities for the New Mexico Arts Program.

GEAR UP CHE (28178) – (Gaining Early Awareness and Readiness for Undergraduate Programs.) The purpose of this grant is to increase the number of low-income students who, upon graduation from high school, have the skills and knowledge to succeed in college.

GRADS – Child Care (28189) – Partially fund the salary and benefits for a teacher participating in the GRADS program. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS – Instruction (28190) – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and

Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

Private Direct Grants (29102) – To account for local grants awarded to provide additional funding for specific projects.

School Based Health Center (29130) – To enhance school based health centers infrastructure, develop and implement billing protocols, improve communication with school personnel, families, and outside agencies, and improve behavioral health programs.

ANANSI CHARTER SCHOOL

Operational Fund (11000) – To account for the primary revenues and expenditures of the Charter School, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

Instructional Materials Fund (14000)- To account for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

IDEA-B Entitlement (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by 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.

SEG Federal Stimulus (25250) – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

2010 GO Bonds Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO Bonds Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

NM Reads to Lead K-3 Reading Initiative (27114) – – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

Robotics 2012 (27115) – The purpose of this grant is for robot and related equipment for robot education programs in public schools statewide that is participating in the annual International Robot Competition in Albuquerque in Bernalillo County. The fund is managed through the New Mexico Public Education Department and is authorized by Severance Tax Bonds, HB-55, Chapter 66, Section 13, Paragraph 243, Laws of 2014.

2010 GO Bonds Instructional Materials (27171) – Accounts for funds provided for the purchase of books and instructional materials to The Family School. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

Private Direct Grant (29102) – to provide students with experiences and career awareness in wildlife, forestry and environmental management operations.

TAOS CHARTER SCHOOL

Operational Fund (11000) – To account for the primary revenues and expenditures of the Charter School, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

Instructional Materials Fund (14000)- To account for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

IDEA-B Entitlement (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by 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.

SEG Federal Stimulus (25250) – To account for resources received to supplement State and Local funding normally received for the operation of the school district. Financing and authority for this program are the American Recovery and Reinvestment Act.

2010 GO Bonds Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO Bonds Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

NM Reads to Lead K-3 Reading Initiative (27114) – – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

2010 GO Bonds Instructional Materials (27171) – Accounts for funds provided for the purchase of books and instructional materials to The Family School. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

Private Direct Grant (29102) – to provide students with experiences and career awareness in wildlife, forestry and environmental management operations

VISTA GRANDE HIGH SCHOOL

Operational Fund (11000) – To account for the primary revenues and expenditures of the Charter School, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

Instructional Materials Fund (14000)- To account for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

IDEA-B Entitlement (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by 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.

2010 GO Bonds Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO Bonds Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

Technology for Education (27145) – State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge Grant. The creation of the fund is authorized by NMSA 1978 22-5A-1 to 22-15A-10.

School Library Material Fund FY08 (27549) – Funds awarded to the District by the instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books. Authorized by the School Board and the New Mexico Public Education Department.

Private Direct Grants (29102) – To account for local grants awarded to provide additional funding for specific projects.

STATE OF NEW MEXICO
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Food Services 21000	Athletics 22000	Title I - IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 2,626	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	588,641	401,740	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	16,992	-	-	-	-
<i>Total assets</i>	<u>16,992</u>	<u>2,626</u>	<u>588,641</u>	<u>401,740</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	55,195	-
Accrued payroll liabilities	65,813	-	67,521	25,175	-
Interfund payables	173,581	-	587,742	327,089	9,338
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>239,394</u>	<u>-</u>	<u>655,263</u>	<u>407,459</u>	<u>9,338</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	16,992	-	-	-	-
Restricted for:					
Grant mandates	-	2,626	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(239,394)	-	(66,622)	(5,719)	(9,338)
<i>Total fund balances</i>	<u>(222,402)</u>	<u>2,626</u>	<u>(66,622)</u>	<u>(5,719)</u>	<u>(9,338)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 16,992</u>	<u>\$ 2,626</u>	<u>\$ 588,641</u>	<u>\$ 401,740</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	New Mexico Autism Project 24108	IDEA-B Preschool 24109	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	IDEA-B Results Plan 24132
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 998	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	11,455	43,965	600	371,299
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>998</u>	<u>11,455</u>	<u>43,965</u>	<u>600</u>	<u>371,299</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	602
Interfund payables	-	11,455	74,746	600	370,697
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>11,455</u>	<u>74,746</u>	<u>600</u>	<u>371,299</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	43,066	-	171,492
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>43,066</u>	<u>-</u>	<u>171,492</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	998	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(73,847)	-	(171,492)
<i>Total fund balances</i>	<u>998</u>	<u>-</u>	<u>(73,847)</u>	<u>-</u>	<u>(171,492)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 998</u>	<u>\$ 11,455</u>	<u>\$ 43,965</u>	<u>\$ 600</u>	<u>\$ 371,299</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Enhancing Ed Thru Tech - (E2T2-F) 24133	ELL Title III Incentive Awards 24143	Title V-Part A Innovative Ed Pro Strategies 24150	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 2,409	\$ -	\$ 22	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	27,200	115,414
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>2,409</u>	<u>-</u>	<u>22</u>	<u>27,200</u>	<u>115,414</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	11	9,512
Interfund payables	-	2,467	-	45,787	114,633
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>2,467</u>	<u>-</u>	<u>45,798</u>	<u>124,145</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	27,200	115,414
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,200</u>	<u>115,414</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	2,409	-	22	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(2,467)	-	(45,798)	(124,145)
<i>Total fund balances</i>	<u>2,409</u>	<u>(2,467)</u>	<u>22</u>	<u>(45,798)</u>	<u>(124,145)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 2,409</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 27,200</u>	<u>\$ 115,414</u>

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

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

	Safe & Drug Free Schools & Community 24157	21st Century Community Living Centers 24159	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Immigrant Funding - Title III 24163
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 8,123	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	16,911	22	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	10,582	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>8,123</u>	<u>27,493</u>	<u>22</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	1,594	-	25,870	22	19,711
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>1,594</u>	<u>-</u>	<u>25,870</u>	<u>22</u>	<u>19,711</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	16,911	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>16,911</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	8,123	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,594)	-	(15,288)	-	(19,711)
<i>Total fund balances</i>	<u>(1,594)</u>	<u>8,123</u>	<u>(15,288)</u>	<u>-</u>	<u>(19,711)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 8,123</u>	<u>\$ 27,493</u>	<u>\$ 22</u>	<u>\$ -</u>

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

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

	Carl D Perkins Special Projects - JAG 24171	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176	Title I- IASA Federal Stimulus 24201	IDEA-B - Entitlement Federal Stimulus 24206
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 22,058	\$ -	\$ -	\$ -	\$ 394
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	15,052	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>22,058</u>	<u>15,052</u>	<u>-</u>	<u>-</u>	<u>394</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	2	-	-	-
Interfund payables	-	14,833	-	12,721	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>14,835</u>	<u>-</u>	<u>12,721</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	5,158	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>5,158</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	22,058	-	-	-	394
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(4,941)	-	(12,721)	-
<i>Total fund balances</i>	<u>22,058</u>	<u>(4,941)</u>	<u>-</u>	<u>(12,721)</u>	<u>394</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 22,058</u>	<u>\$ 15,052</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394</u>

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

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

	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153	TANF/GRADS HSD 25162
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 48,239	\$ 11,872	\$ 6,556	\$ 125,171	\$ 13,757
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	40,712	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>48,239</u>	<u>11,872</u>	<u>6,556</u>	<u>165,883</u>	<u>13,757</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	6,289	-
Accrued payroll liabilities	2,634	522	-	20,522	-
Interfund payables	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>2,634</u>	<u>522</u>	<u>-</u>	<u>26,811</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	45,605	11,350	6,556	139,072	13,757
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>45,605</u>	<u>11,350</u>	<u>6,556</u>	<u>139,072</u>	<u>13,757</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 48,239</u>	<u>\$ 11,872</u>	<u>\$ 6,556</u>	<u>\$ 165,883</u>	<u>\$ 13,757</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Indian Ed Formula Grant 25184	Education Jobs Fund - Federal Stimulus 25255	ENLACE-UNM 26103	LANL Foundation 26113	Intel Foundation 26116
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 1,500	\$ 34	\$ 1,595	\$ 3,000
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	3,960	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>3,960</u>	<u>1,500</u>	<u>34</u>	<u>1,595</u>	<u>3,000</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	2,313	-	-	-	-
Interfund payables	12,786	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>15,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	1,500	34	1,595	3,000
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(11,139)	-	-	-	-
<i>Total fund balances</i>	<u>(11,139)</u>	<u>1,500</u>	<u>34</u>	<u>1,595</u>	<u>3,000</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,960</u>	<u>\$ 1,500</u>	<u>\$ 34</u>	<u>\$ 1,595</u>	<u>\$ 3,000</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Northern NM Network - Teacher Incentive Fund 26182	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 44,090	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	6,370	-	15,933	36,035
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>44,090</u>	<u>6,370</u>	<u>-</u>	<u>15,933</u>	<u>36,035</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	7,746
Interfund payables	-	5,966	-	15,933	28,289
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>5,966</u>	<u>-</u>	<u>15,933</u>	<u>36,035</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	15,933	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,933</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	44,090	404	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	(15,933)	-
<i>Total fund balances</i>	<u>44,090</u>	<u>404</u>	<u>-</u>	<u>(15,933)</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 44,090</u>	<u>\$ 6,370</u>	<u>\$ -</u>	<u>\$ 15,933</u>	<u>\$ 36,035</u>

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

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

	TANF PED 27115	Technology for Education PED 27117	Obesity Program - PED 27120	Teachers/School Leaders Stipends At-Risk 27122	TANF Full Day Kindergarten 27136
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 1	\$ 26,319	\$ 135	\$ -	\$ 207
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>1</u>	<u>26,319</u>	<u>135</u>	<u>-</u>	<u>207</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	1	26,319	135	-	207
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>1</u>	<u>26,319</u>	<u>135</u>	<u>-</u>	<u>207</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1</u>	<u>\$ 26,319</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 207</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Incentives for School Improvement Act - PED 27138	Summer Bridge 27144	Pre-K Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 44,234	\$ 107	\$ -	\$ -	\$ 9,934
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	14,917	6,568	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>44,234</u>	<u>107</u>	<u>14,917</u>	<u>6,568</u>	<u>9,934</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	8,558	4	-
Interfund payables	-	-	6,359	6,785	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>14,917</u>	<u>6,789</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	44,234	107	-	-	9,934
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	(221)	-
<i>Total fund balances</i>	<u>44,234</u>	<u>107</u>	<u>-</u>	<u>(221)</u>	<u>9,934</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 44,234</u>	<u>\$ 107</u>	<u>\$ 14,917</u>	<u>\$ 6,568</u>	<u>\$ 9,934</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	After School & Summer Enrichment Program 27168	2013 School Bus 27178	NM Grown Fresh Fruits & Vegetables 27183
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	1,872	104,590	17,934	-	185
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>1,872</u>	<u>104,590</u>	<u>17,934</u>	<u>-</u>	<u>185</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	23,218	1,490	-	-
Interfund payables	11,769	28,112	16,444	78,200	185
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>11,769</u>	<u>51,330</u>	<u>17,934</u>	<u>78,200</u>	<u>185</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	53,260	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(9,897)	-	-	(78,200)	-
<i>Total fund balances</i>	<u>(9,897)</u>	<u>53,260</u>	<u>-</u>	<u>(78,200)</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,872</u>	<u>\$ 104,590</u>	<u>\$ 17,934</u>	<u>\$ -</u>	<u>\$ 185</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	Next Generation Assessments 27185	School Library Material Fund FY08 27549	ASSIST Tobacco DOH 28122	Healthier Schools 28155	Office of Cultural Affairs 28177
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 972	\$ 11,831	\$ 57,116	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>972</u>	<u>11,831</u>	<u>57,116</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	972	11,831	57,116	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>972</u>	<u>11,831</u>	<u>57,116</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ 11,831</u>	<u>\$ 57,116</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	GEAR-UP CHE 28178	GRADS - Child Care 28189	GRADS - Instruction 28190	Private Direct Grants 29102	School Based Health Center 29130
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 34,295	\$ -	\$ 5,129	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>34,295</u>	<u>-</u>	<u>5,129</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	754	-	-	-
Interfund payables	44,141	-	1,649	-	26,117
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>44,141</u>	<u>754</u>	<u>1,649</u>	<u>-</u>	<u>26,117</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	33,541	-	5,129	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(44,141)	-	(1,649)	-	(26,117)
<i>Total fund balances</i>	<u>(44,141)</u>	<u>33,541</u>	<u>(1,649)</u>	<u>5,129</u>	<u>(26,117)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 34,295</u>	<u>\$ -</u>	<u>\$ 5,129</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

	<u>Total</u>
ASSETS	
<i>Current assets:</i>	
Cash and temporary investments	\$ 482,724
Accounts receivable	-
Taxes	-
Due from other governments	1,841,375
Interfund receivables	-
Other	-
Deposits	10,582
Inventory	<u>16,992</u>
<i>Total assets</i>	<u><u>2,351,673</u></u>
LIABILITIES	
<i>Current liabilities:</i>	
Accounts payable	61,484
Accrued payroll liabilities	236,397
Interfund payables	2,075,621
Unearned revenue	-
<i>Total liabilities</i>	<u><u>2,373,502</u></u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	-
Unavailable revenue - other	<u>395,174</u>
<i>Total deferred inflows of resources</i>	<u><u>395,174</u></u>
FUND BALANCES	
Nonspendable	16,992
Restricted for:	
Grant mandates	546,379
Capital projects	-
Debt service	-
Assigned	-
Unassigned	<u>(980,374)</u>
<i>Total fund balances</i>	<u><u>(417,003)</u></u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u><u>\$ 2,351,673</u></u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Food Services 21000	Athletics 22000	Title I - IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	113,017	-	-	-	-
Federal grants	1,469,483	-	1,080,025	922,166	-
Miscellaneous	-	-	-	-	-
Charges for services	137,073	69,066	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>1,719,573</u>	<u>69,066</u>	<u>1,080,025</u>	<u>922,166</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	70,900	804,181	482,128	-
Support services					
Students	-	-	84,842	109,332	-
Instruction	-	-	91	-	-
General administration	-	-	171,754	37,238	-
School administration	-	-	15,793	46,526	-
Central services	-	-	-	103,124	-
Operation & maintenance of plant	-	-	104	167	-
Student transportation	-	-	-	31,553	-
Other support services	-	-	-	-	-
Food services operations	1,631,201	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>1,631,201</u>	<u>70,900</u>	<u>1,076,765</u>	<u>810,068</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>88,372</u>	<u>(1,834)</u>	<u>3,260</u>	<u>112,098</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>88,372</u>	<u>(1,834)</u>	<u>3,260</u>	<u>112,098</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(310,774)	4,460	(69,882)	(117,817)	(9,338)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(310,774)</u>	<u>4,460</u>	<u>(69,882)</u>	<u>(117,817)</u>	<u>(9,338)</u>
<i>Fund balances - end of year</i>	<u>\$ (222,402)</u>	<u>\$ 2,626</u>	<u>\$ (66,622)</u>	<u>\$ (5,719)</u>	<u>\$ (9,338)</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	New Mexico Autism Project 24108	IDEA-B Preschool 24109	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	IDEA-B Results Plan 24132
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	5,574	16,882	899	600	200,367
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>5,574</u>	<u>16,882</u>	<u>899</u>	<u>600</u>	<u>200,367</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	2,645	11,867	-	600	343,208
Support services					
Students	2,929	-	-	-	15,383
Instruction	-	-	-	-	-
General administration	-	560	-	-	12,244
School administration	-	-	-	-	1,024
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	4,455	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	43,965	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>5,574</u>	<u>16,882</u>	<u>43,965</u>	<u>600</u>	<u>371,859</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(43,066)</u>	<u>-</u>	<u>(171,492)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(43,066)</u>	<u>-</u>	<u>(171,492)</u>
<i>Fund balances - beginning of year</i>	998	-	(30,781)	-	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>998</u>	<u>-</u>	<u>(30,781)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 998</u>	<u>\$ -</u>	<u>\$ (73,847)</u>	<u>\$ -</u>	<u>\$ (171,492)</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Enhancing Ed Thru Tech - (E2T2-F) 24133	ELL Title III Incentive Awards 24143	Title V-Part A Innovative Ed Pro Strategies 24150	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	-	-	7,198	93,488
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,198</u>	<u>93,488</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	-	32,807	192,432
Support services					
Students	-	-	-	-	646
Instruction	-	-	-	-	-
General administration	-	-	-	1,100	10,275
School administration	-	-	-	491	5,549
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,398</u>	<u>208,902</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,200)</u>	<u>(115,414)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,200)</u>	<u>(115,414)</u>
<i>Fund balances - beginning of year</i>	2,409	(2,467)	22	(18,598)	(8,731)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>2,409</u>	<u>(2,467)</u>	<u>22</u>	<u>(18,598)</u>	<u>(8,731)</u>
<i>Fund balances - end of year</i>	<u>\$ 2,409</u>	<u>\$ (2,467)</u>	<u>\$ 22</u>	<u>\$ (45,798)</u>	<u>\$ (124,145)</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Safe & Drug Free Schools & Community 24157	21st Century Community Living Centers 24159	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Immigrant Funding - Title III 24163
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	-	22,925	3,999	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>22,925</u>	<u>3,999</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	36,629	3,868	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	2,542	131	-
School administration	-	-	665	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>39,836</u>	<u>3,999</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,911)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(16,911)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(1,594)	8,123	1,623	-	(19,711)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(1,594)</u>	<u>8,123</u>	<u>1,623</u>	<u>-</u>	<u>(19,711)</u>
<i>Fund balances - end of year</i>	<u>\$ (1,594)</u>	<u>\$ 8,123</u>	<u>\$ (15,288)</u>	<u>\$ -</u>	<u>\$ (19,711)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement B-2

	Carl D Perkins Special Projects - JAG 24171	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176	Title I- IASA Federal Stimulus 24201	IDEA-B - Entitlement Federal Stimulus 24206
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	18,936	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	-	18,936	-	-	-
<i>Expenditures:</i>					
Current:					
Instruction	-	22,364	-	-	-
Support services					
Students	-	926	-	-	-
Instruction	-	-	-	-	-
General administration	-	804	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	-	24,094	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(5,158)	-	-	-
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-
<i>Net changes in fund balances</i>	-	(5,158)	-	-	-
<i>Fund balances - beginning of year</i>	22,058	217	-	(12,721)	394
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	22,058	217	-	(12,721)	394
<i>Fund balances - end of year</i>	\$ 22,058	\$ (4,941)	\$ -	\$ (12,721)	\$ 394

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

STATE OF NEW MEXICO

Statement B-2

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153	TANF/GRADS HSD 25162
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	22,382	5,762	-	239,498	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>22,382</u>	<u>5,762</u>	<u>-</u>	<u>239,498</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	17,402	1,724	-	124,736	-
Support services					
Students	20,843	4,188	-	183,417	-
Instruction	-	-	-	-	-
General administration	1,332	207	-	-	-
School administration	97	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>39,674</u>	<u>6,119</u>	<u>-</u>	<u>308,153</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(17,292)</u>	<u>(357)</u>	<u>-</u>	<u>(68,655)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(17,292)</u>	<u>(357)</u>	<u>-</u>	<u>(68,655)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	62,897	11,707	6,556	207,727	13,757
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>62,897</u>	<u>11,707</u>	<u>6,556</u>	<u>207,727</u>	<u>13,757</u>
<i>Fund balances - end of year</i>	<u>\$ 45,605</u>	<u>\$ 11,350</u>	<u>\$ 6,556</u>	<u>\$ 139,072</u>	<u>\$ 13,757</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Indian Ed Formula Grant 25184	Education Jobs Fund - Federal Stimulus 25255	ENLACE-UNM 26103	LANL Foundation 26113	Intel Foundation 26116
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	29,243	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>29,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	33,601	-	-	-	-
Support services					
Students	7,296	-	-	-	-
Instruction	-	-	-	-	-
General administration	1,416	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>42,313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(13,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(13,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	1,931	1,500	34	1,595	3,000
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1,931</u>	<u>1,500</u>	<u>34</u>	<u>1,595</u>	<u>3,000</u>
<i>Fund balances - end of year</i>	<u>\$ (11,139)</u>	<u>\$ 1,500</u>	<u>\$ 34</u>	<u>\$ 1,595</u>	<u>\$ 3,000</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Northern NM Network - Teacher Incentive Fund 26182	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	32,544	-	1,314	97,488
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>32,544</u>	<u>-</u>	<u>1,314</u>	<u>97,488</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	32,544	-	-	94,273
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	15,933	-
General administration	-	-	-	-	3,215
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>32,544</u>	<u>-</u>	<u>15,933</u>	<u>97,488</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,619)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,619)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	44,090	404	-	(1,314)	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>44,090</u>	<u>404</u>	<u>-</u>	<u>(1,314)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 44,090</u>	<u>\$ 404</u>	<u>\$ -</u>	<u>\$ (15,933)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	TANF PED 27115	Technology for Education PED 27117	Obesity Program - PED 27120	Teachers/School Leaders Stipends At-Risk 27122	TANF Full Day Kindergarten 27136
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	-	-	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	1	26,319	135	-	207
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1</u>	<u>26,319</u>	<u>135</u>	<u>-</u>	<u>207</u>
<i>Fund balances - end of year</i>	<u>\$ 1</u>	<u>\$ 26,319</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 207</u>

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

STATE OF NEW MEXICO

Statement B-2

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Incentives for School Improvement Act - PED 27138	Summer Bridge 27144	Pre-K Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	106,821	13,236	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	-	-	106,821	13,236	-
<i>Expenditures:</i>					
Current:					
Instruction	-	-	105,708	8,268	-
Support services					
Students	-	-	-	282	-
Instruction	-	-	-	-	-
General administration	-	-	1,098	294	-
School administration	-	-	15	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	-	-	106,821	8,844	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	4,392	-
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	4,392	-
<i>Fund balances - beginning of year</i>	44,234	107	-	(4,613)	9,934
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	44,234	107	-	(4,613)	9,934
<i>Fund balances - end of year</i>	\$ 44,234	\$ 107	\$ -	\$ (221)	\$ 9,934

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	After School & Summer Enrichment Program 27168	2013 School Bus 27178	NM Grown Fresh Fruits & Vegetables 27183
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	28,804	242,025	74,718	-	9,960
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>28,804</u>	<u>242,025</u>	<u>74,718</u>	<u>-</u>	<u>9,960</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	187,775	42,951	-	-
Support services					
Students	-	6,966	26,017	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	24,551	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	1,123	5,750	-	-
Student transportation	-	21,603	-	78,200	-
Other support services	-	-	-	-	-
Food services operations	28,804	-	-	-	9,960
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>28,804</u>	<u>242,018</u>	<u>74,718</u>	<u>78,200</u>	<u>9,960</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>7</u>	<u>-</u>	<u>(78,200)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>7</u>	<u>-</u>	<u>(78,200)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(9,897)	53,253	-	-	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(9,897)</u>	<u>53,253</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (9,897)</u>	<u>\$ 53,260</u>	<u>\$ -</u>	<u>\$ (78,200)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Next Generation Assessments 27185	School Library Material Fund FY08 27549	ASSIST Tobacco DOH 28122	Healthier Schools 28155	Office of Cultural Affairs 28177
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	-	-	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	972	11,831	57,116	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>-</u>	<u>972</u>	<u>11,831</u>	<u>57,116</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ 11,831</u>	<u>\$ 57,116</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	GEAR-UP CHE 28178	GRADS - Child Care 28189	GRADS - Instruction 28190	Private Direct Grants 29102	School Based Health Center 29130
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	22,514	-	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	7,832	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>22,514</u>	<u>-</u>	<u>7,832</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	22,257	2,187	973	-
Support services					
Students	-	2,233	5,789	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	6,832	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>24,490</u>	<u>7,976</u>	<u>7,805</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1,976)</u>	<u>(7,976)</u>	<u>27</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(1,976)</u>	<u>(7,976)</u>	<u>27</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(44,141)	35,517	6,327	5,102	(26,117)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(44,141)</u>	<u>35,517</u>	<u>6,327</u>	<u>5,102</u>	<u>(26,117)</u>
<i>Fund balances - end of year</i>	<u>\$ (44,141)</u>	<u>\$ 33,541</u>	<u>\$ (1,649)</u>	<u>\$ 5,129</u>	<u>\$ (26,117)</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Total</u>
<i>Revenues:</i>	
Property taxes	\$ -
State grants	742,441
Federal grants	4,139,427
Miscellaneous	7,832
Charges for services	206,139
Investment Income	-
<i>Total revenues</i>	<u>5,095,839</u>
<i>Expenditures:</i>	
Current:	
Instruction	2,678,028
Support services	
Students	471,089
Instruction	16,024
General administration	244,210
School administration	94,711
Central services	103,124
Operation & maintenance of plant	7,144
Student transportation	135,811
Other support services	-
Food services operations	1,720,762
Community service	-
Capital outlay	-
Debt service	-
Principal	-
Interest	-
<i>Total expenditures</i>	<u>5,470,903</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>(375,064)</u>
<i>Other financing sources (uses):</i>	
Operating transfers	-
Proceeds from bond issues	-
<i>Total other financing sources (uses)</i>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(375,064)</u>
<i>Fund balances - beginning of year</i>	(41,939)
<i>Prior period adjustment</i>	-
<i>Adjusted fund balances - beginning of year</i>	<u>(41,939)</u>
<i>Fund balances - end of year</i>	<u>\$ (417,003)</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOOD SERVICES SPECIAL REVENUE FUND (21000)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-3

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	90,000	90,000	113,017	23,017
Federal grants	1,471,666	1,471,666	1,371,384	(100,282)
Miscellaneous	-	-	-	-
Charges for services	141,000	141,000	137,073	(3,927)
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,702,666</u>	<u>1,702,666</u>	<u>1,621,474</u>	<u>(81,192)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	1,702,666	1,702,666	1,526,419	176,247
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,702,666</u>	<u>1,702,666</u>	<u>1,526,419</u>	<u>176,247</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>95,055</u>	<u>95,055</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>95,055</u>	<u>95,055</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(268,636)</u>	<u>(268,636)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(268,636)</u>	<u>(268,636)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (173,581)</u>	<u>\$ (173,581)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 95,055	
Adjustments to revenues			98,099	
Adjustments to expenditures			(104,782)	
Net change in fund balance (GAAP basis)			<u>\$ 88,372</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ATHLETICS SPECIAL REVENUE FUND (22000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-4

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	67,200	67,200	69,066	1,866
Interest	-	-	-	-
<i>Total revenues</i>	<u>67,200</u>	<u>67,200</u>	<u>69,066</u>	<u>1,866</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	71,540	71,540	71,811	(271)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>71,540</u>	<u>71,540</u>	<u>71,811</u>	<u>(271)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,340)</u>	<u>(4,340)</u>	<u>(2,745)</u>	<u>1,595</u>
<i>Other financing sources (uses):</i>				
Designated cash	4,340	4,340	-	(4,340)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>4,340</u>	<u>4,340</u>	<u>-</u>	<u>(4,340)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,745)</u>	<u>(2,745)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	5,371	5,371
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,371</u>	<u>5,371</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,626</u>	<u>\$ 2,626</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (2,745)	
Adjustments to revenues			-	
Adjustments to expenditures			911	
Net change in fund balance (GAAP basis)			<u>\$ (1,834)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I - IASA SPECIAL REVENUE FUND (24101)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,025,395	1,244,399	1,044,998	(199,401)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,025,395</u>	<u>1,244,399</u>	<u>1,044,998</u>	<u>(199,401)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	733,944	895,236	782,548	112,688
Support services				
Students	91,107	91,257	84,842	6,415
Instruction	-	91	91	-
General administration	199,294	209,076	171,754	37,322
School administration	-	48,539	15,793	32,746
Central services	-	-	-	-
Operation & maintenance of plant	1,050	200	104	96
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,025,395</u>	<u>1,244,399</u>	<u>1,055,132</u>	<u>189,267</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,134)</u>	<u>(10,134)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(10,134)</u>	<u>(10,134)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(577,608)</u>	<u>(577,608)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(577,608)</u>	<u>(577,608)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (587,742)</u>	<u>\$ (587,742)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (10,134)	
Adjustments to revenues			35,027	
Adjustments to expenditures			(21,633)	
Net change in fund balance (GAAP basis)			<u>\$ 3,260</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	667,556	857,253	777,079	(80,174)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>667,556</u>	<u>857,253</u>	<u>777,079</u>	<u>(80,174)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	365,755	488,724	482,288	6,436
Support services				
Students	80,145	117,636	110,107	7,529
Instruction	-	-	-	-
General administration	105,005	40,282	37,238	3,044
School administration	-	46,700	46,526	174
Central services	101,145	129,335	171,168	(41,833)
Operation & maintenance of plant	-	170	167	3
Student transportation	15,506	34,406	25,596	8,810
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>667,556</u>	<u>857,253</u>	<u>873,090</u>	<u>(15,837)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(96,011)</u>	<u>(96,011)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(96,011)</u>	<u>(96,011)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(231,078)</u>	<u>(231,078)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(231,078)</u>	<u>(231,078)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (327,089)</u>	<u>\$ (327,089)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (96,011)	
Adjustments to revenues			145,087	
Adjustments to expenditures			63,022	
Net change in fund balance (GAAP basis)			<u>\$ 112,098</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B DISCRETIONARY SPECIAL REVENUE FUND (24107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(9,338)	(9,338)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(9,338)</u>	<u>(9,338)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,338)</u>	<u>\$ (9,338)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NEW MEXICO AUTISM PROJECT SPECIAL REVENUE FUND (24108)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-8

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	8,209	12,624	4,415
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,209</u>	<u>12,624</u>	<u>4,415</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,131	2,645	486
Support services				
Students	-	5,078	2,929	2,149
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,209</u>	<u>5,574</u>	<u>2,635</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>7,050</u>	<u>7,050</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>7,050</u>	<u>7,050</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(6,052)	(6,052)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,052)</u>	<u>(6,052)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 998</u>	<u>\$ 998</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 7,050	
Adjustments to revenues			(7,050)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B PRESCHOOL SPECIAL REVENUE FUND (24109)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	18,884	29,105	21,263	(7,842)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>18,884</u>	<u>29,105</u>	<u>21,263</u>	<u>(7,842)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	18,040	14,812	11,867	2,945
Support services				
Students	200	-	303	(303)
Instruction	-	-	-	-
General administration	644	993	560	433
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	13,300	4,455	8,845
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,884</u>	<u>29,105</u>	<u>17,185</u>	<u>11,920</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,078</u>	<u>4,078</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,078</u>	<u>4,078</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(15,533)	(15,533)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(15,533)</u>	<u>(15,533)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,455)</u>	<u>\$ (11,455)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,078	
Adjustments to revenues			(4,381)	
Adjustments to expenditures			303	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	61,561	-	(61,561)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>61,561</u>	<u>-</u>	<u>(61,561)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	61,561	44,180	17,381
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>61,561</u>	<u>44,180</u>	<u>17,381</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(44,180)</u>	<u>(44,180)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(44,180)</u>	<u>(44,180)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(30,566)	(30,566)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(30,566)</u>	<u>(30,566)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,746)</u>	<u>\$ (74,746)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (44,180)	
Adjustments to revenues			899	
Adjustments to expenditures			215	
Net change in fund balance (GAAP basis)			<u>\$ (43,066)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA B "RISK POOL" SPECIAL REVENUE FUND (24120)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	663	222	(441)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>663</u>	<u>222</u>	<u>(441)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	641	600	41
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	22	-	22
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>663</u>	<u>600</u>	<u>63</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(378)</u>	<u>(378)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(378)</u>	<u>(378)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(222)	(222)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(222)</u>	<u>(222)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (600)</u>	<u>\$ (600)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (378)	
Adjustments to revenues			378	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B RESULTS PLAN SPECIAL REVENUE FUND (24132)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	375,000	156,889	(218,111)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>375,000</u>	<u>156,889</u>	<u>(218,111)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	343,570	345,198	(1,628)
Support services				
Students	-	18,039	15,383	2,656
Instruction	-	-	-	-
General administration	-	12,366	12,244	122
School administration	-	1,025	1,024	1
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>375,000</u>	<u>373,849</u>	<u>1,151</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(216,960)</u>	<u>(216,960)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(216,960)</u>	<u>(216,960)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(153,737)	(153,737)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(153,737)</u>	<u>(153,737)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,697)</u>	<u>\$ (370,697)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (216,960)	
Adjustments to revenues			43,478	
Adjustments to expenditures			1,990	
Net change in fund balance (GAAP basis)			<u>\$ (171,492)</u>	

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

ENHANCING EDUCATION THRU TECH - (E2TS-F) SPECIAL REVENUE FUND (24133)

FOR THE YEAR ENDING JUNE 30, 2015

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	2,409	2,409
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,409</u>	<u>2,409</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,409</u>	<u>\$ 2,409</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ELL TITLE III INCENTIVE AWARDS SPECIAL REVENUE FUND (24143)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(2,467)	(2,467)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,467)</u>	<u>(2,467)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,467)</u>	<u>\$ (2,467)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE V-PART A INNOVATIVE ED PRO STRATEGIES SPECIAL REVENUE FUND (24150)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-15

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	22	22
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22</u>	<u>22</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 22</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	19,875	37,936	11,139	(26,797)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>19,875</u>	<u>37,936</u>	<u>11,139</u>	<u>(26,797)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	18,679	35,076	32,796	2,280
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	396	1,860	1,100	760
School administration	800	1,000	491	509
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>19,875</u>	<u>37,936</u>	<u>34,387</u>	<u>3,549</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(23,248)</u>	<u>(23,248)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(23,248)</u>	<u>(23,248)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(22,539)</u>	<u>(22,539)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(22,539)</u>	<u>(22,539)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,787)</u>	<u>\$ (45,787)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (23,248)	
Adjustments to revenues			(3,941)	
Adjustments to expenditures			(11)	
Net change in fund balance (GAAP basis)			<u>\$ (27,200)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND (24154)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-17

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	152,781	343,051	213,535	(129,516)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>152,781</u>	<u>343,051</u>	<u>213,535</u>	<u>(129,516)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	145,521	325,791	187,181	138,610
Support services				
Students	-	900	646	254
Instruction	-	-	-	-
General administration	6,510	10,610	10,275	335
School administration	750	5,750	5,549	201
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>152,781</u>	<u>343,051</u>	<u>203,651</u>	<u>139,400</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>9,884</u>	<u>9,884</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>9,884</u>	<u>9,884</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(124,517)</u>	<u>(124,517)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(124,517)</u>	<u>(124,517)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (114,633)</u>	<u>\$ (114,633)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 9,884	
Adjustments to revenues			(120,047)	
Adjustments to expenditures			(5,251)	
Net change in fund balance (GAAP basis)			<u>\$ (115,414)</u>	

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

STATE OF NEW MEXICO

Statement B-18

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND (24157)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(1,594)	(1,594)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,594)</u>	<u>(1,594)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,594)</u>	<u>\$ (1,594)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 21ST CENTURY COMMUNITY LIVING CENTERS SPECIAL REVENUE FUND (24159)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	8,123	8,123
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,123</u>	<u>8,123</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,123</u>	<u>\$ 8,123</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND (24160)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-20

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	57,686	57,434	50,559	(6,875)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>57,686</u>	<u>57,434</u>	<u>50,559</u>	<u>(6,875)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	47,219	47,219	47,211	8
Support services				
Students	3,500	3,248	-	3,248
Instruction	-	-	-	-
General administration	4,967	4,967	2,542	2,425
School administration	2,000	2,000	665	1,335
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>57,686</u>	<u>57,434</u>	<u>50,418</u>	<u>7,016</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>141</u>	<u>141</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>141</u>	<u>141</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,011)</u>	<u>(26,011)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,011)</u>	<u>(26,011)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,870)</u>	<u>\$ (25,870)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 141	
Adjustments to revenues			(27,634)	
Adjustments to expenditures			10,582	
Net change in fund balance (GAAP basis)			<u>\$ (16,911)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND (24162)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	4,000	25,711	21,711
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,000</u>	<u>25,711</u>	<u>21,711</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,868	3,868	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	132	131	1
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,000</u>	<u>3,999</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>21,712</u>	<u>21,712</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>21,712</u>	<u>21,712</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(21,734)	(21,734)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,734)</u>	<u>(21,734)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22)</u>	<u>\$ (22)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 21,712	
Adjustments to revenues			(21,712)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IMMIGRANT FUNDING - TITLE III SPECIAL REVENUE FUND (24163)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(19,711)	(19,711)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,711)</u>	<u>(19,711)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,711)</u>	<u>\$ (19,711)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS SPECIAL PROJECTS - JAG SPECIAL REVENUE FUND (24171)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	22,058	22,058
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,058</u>	<u>22,058</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,058</u>	<u>\$ 22,058</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS SECONDARY CURRENT SPECIAL REVENUE FUND (24174)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-24

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	39,950	40,598	648
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>39,950</u>	<u>40,598</u>	<u>648</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	36,769	22,362	14,407
Support services				
Students	-	2,377	926	1,451
Instruction	-	-	-	-
General administration	-	804	804	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>39,950</u>	<u>24,092</u>	<u>15,858</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>16,506</u>	<u>16,506</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>16,506</u>	<u>16,506</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(31,339)	(31,339)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(31,339)</u>	<u>(31,339)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,833)</u>	<u>\$ (14,833)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 16,506	
Adjustments to revenues			(21,662)	
Adjustments to expenditures			(2)	
Net change in fund balance (GAAP basis)			<u>\$ (5,158)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS SECONDARY REDISTRIBUTION SPECIAL REVENUE FUND (24176)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I - IASA FEDERAL STIMULUS SPECIAL REVENUE FUND (24201)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(12,721)	(12,721)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(12,721)</u>	<u>(12,721)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,721)</u>	<u>\$ (12,721)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

IDEA-B - ENTITLEMENT FEDERAL STIMULUS SPECIAL REVENUE FUND (24206)

FOR THE YEAR ENDING JUNE 30, 2015

Statement B-27

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	394	394
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>394</u>	<u>394</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 394</u>	<u>\$ 394</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	19,800	19,800	22,382	2,582
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>19,800</u>	<u>19,800</u>	<u>22,382</u>	<u>2,582</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	29,747	29,747	17,158	12,589
Support services				
Students	29,035	28,535	20,843	7,692
Instruction	-	-	-	-
General administration	21,868	21,868	1,332	20,536
School administration	-	500	97	403
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>80,650</u>	<u>80,650</u>	<u>39,430</u>	<u>41,220</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(60,850)</u>	<u>(60,850)</u>	<u>(17,048)</u>	<u>43,802</u>
<i>Other financing sources (uses):</i>				
Designated cash	60,850	60,850	-	(60,850)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>60,850</u>	<u>60,850</u>	<u>-</u>	<u>(60,850)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(17,048)</u>	<u>(17,048)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>65,287</u>	<u>65,287</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>65,287</u>	<u>65,287</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,239</u>	<u>\$ 48,239</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (17,048)	
Adjustments to revenues			-	
Adjustments to expenditures			(244)	
Net change in fund balance (GAAP basis)			<u>\$ (17,292)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND (25147)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-29

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	4,440	4,440	5,762	1,322
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>4,440</u>	<u>4,440</u>	<u>5,762</u>	<u>1,322</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	6,932	6,932	2,524	4,408
Support services				
Students	4,014	4,206	3,666	540
Instruction	-	-	-	-
General administration	4,828	4,636	207	4,429
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,774</u>	<u>15,774</u>	<u>6,397</u>	<u>9,377</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(11,334)</u>	<u>(11,334)</u>	<u>(635)</u>	<u>10,699</u>
<i>Other financing sources (uses):</i>				
Designated cash	11,334	11,334	-	(11,334)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,334</u>	<u>11,334</u>	<u>-</u>	<u>(11,334)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(635)</u>	<u>(635)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	12,507	12,507
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,507</u>	<u>12,507</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,872</u>	<u>\$ 11,872</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (635)	
Adjustments to revenues			-	
Adjustments to expenditures			278	
Net change in fund balance (GAAP basis)			<u>\$ (357)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS CHILD CARE CYFD SPECIAL REVENUE FUND (25149)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-30

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,556	6,556
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,556</u>	<u>6,556</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,556</u>	<u>\$ 6,556</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND (25153)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-31

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	275,000	275,000	239,728	(35,272)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>275,000</u>	<u>275,000</u>	<u>239,728</u>	<u>(35,272)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	238,495	208,719	115,235	93,484
Support services				
Students	199,521	219,297	176,184	43,113
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	10,000	-	10,000
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>438,016</u>	<u>438,016</u>	<u>291,419</u>	<u>146,597</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(163,016)</u>	<u>(163,016)</u>	<u>(51,691)</u>	<u>111,325</u>
<i>Other financing sources (uses):</i>				
Designated cash	163,016	163,016	-	(163,016)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>163,016</u>	<u>163,016</u>	<u>-</u>	<u>(163,016)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(51,691)</u>	<u>(51,691)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>176,862</u>	<u>176,862</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>176,862</u>	<u>176,862</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,171</u>	<u>\$ 125,171</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (51,691)	
Adjustments to revenues			(230)	
Adjustments to expenditures			(16,734)	
Net change in fund balance (GAAP basis)			<u>\$ (68,655)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TANF/GRADS HSD SPECIAL REVENUE FUND (25162)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-32

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	13,757	13,757	-	13,757
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>13,757</u>	<u>13,757</u>	<u>-</u>	<u>13,757</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(13,757)</u>	<u>(13,757)</u>	<u>-</u>	<u>13,757</u>
<i>Other financing sources (uses):</i>				
Designated cash	13,757	13,757	-	(13,757)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>13,757</u>	<u>13,757</u>	<u>-</u>	<u>(13,757)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	13,757	13,757
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>13,757</u>	<u>13,757</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,757</u>	<u>\$ 13,757</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND (25184)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-33

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	42,688	42,688	49,634	6,946
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>42,688</u>	<u>42,688</u>	<u>49,634</u>	<u>6,946</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	32,034	33,609	32,640	969
Support services				
Students	9,196	7,321	7,296	25
Instruction	-	-	-	-
General administration	1,458	1,458	1,416	42
School administration	-	300	-	300
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>42,688</u>	<u>42,688</u>	<u>41,352</u>	<u>1,336</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,282</u>	<u>8,282</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,282</u>	<u>8,282</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(21,068)	(21,068)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,068)</u>	<u>(21,068)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,786)</u>	<u>\$ (12,786)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 8,282	
Adjustments to revenues			(20,391)	
Adjustments to expenditures			(961)	
Net change in fund balance (GAAP basis)			<u>\$ (13,070)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION JOBS FUND - FEDERAL STIMULUS SPECIAL REVENUE FUND (25255)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,500	1,500
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ENLACE-UNM SPECIAL REVENUE FUND (26103)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-35

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	34	34	-	34
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>34</u>	<u>34</u>	<u>-</u>	<u>34</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(34)</u>	<u>(34)</u>	<u>-</u>	<u>34</u>
<i>Other financing sources (uses):</i>				
Designated cash	34	34	-	(34)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>34</u>	<u>34</u>	<u>-</u>	<u>(34)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	34	34
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>34</u>	<u>34</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 34</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 LANL FOUNDATION SPECIAL REVENUE FUND (26113)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-36

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,595	1,595	-	1,595
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,595</u>	<u>1,595</u>	<u>-</u>	<u>1,595</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,595)</u>	<u>(1,595)</u>	<u>-</u>	<u>1,595</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,595	1,595	-	(1,595)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,595</u>	<u>1,595</u>	<u>-</u>	<u>(1,595)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,595	1,595
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,595</u>	<u>1,595</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,595</u>	<u>\$ 1,595</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INTEL FOUNDATION SPECIAL REVENUE FUND (26116)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-37

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	3,000	3,000
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-38

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NORTHERN NM NETWORK - TEACHER INCENTIVE FUND SPECIAL REVENUE FUND (26182)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	44,090	44,090
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>44,090</u>	<u>44,090</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,090</u>	<u>\$ 44,090</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	33,784	26,174	(7,610)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>33,784</u>	<u>26,174</u>	<u>(7,610)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	33,784	32,544	1,240
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>33,784</u>	<u>32,544</u>	<u>1,240</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,370)</u>	<u>(6,370)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,370)</u>	<u>(6,370)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	404	404
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>404</u>	<u>404</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,966)</u>	<u>\$ (5,966)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (6,370)	
Adjustments to revenues			6,370	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS STUDENT LIBRARY FUND (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-40

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	1,465	1,465
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,465</u>	<u>1,465</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,465</u>	<u>1,465</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,465</u>	<u>1,465</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(1,465)	(1,465)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,465)</u>	<u>(1,465)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 1,465	
Adjustments to revenues			(1,465)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-41

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	17,954	23,977	2,671	(21,306)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>17,954</u>	<u>23,977</u>	<u>2,671</u>	<u>(21,306)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	17,954	23,977	15,933	8,044
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,954</u>	<u>23,977</u>	<u>15,933</u>	<u>8,044</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,262)</u>	<u>(13,262)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(13,262)</u>	<u>(13,262)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,671)</u>	<u>(2,671)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,671)</u>	<u>(2,671)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,933)</u>	<u>\$ (15,933)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (13,262)	
Adjustments to revenues			(1,357)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (14,619)</u>	

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

STATE OF NEW MEXICO

Statement B-42

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NEW MEXICO READS TO LEAD K-3 READING INITIATIVE SPECIAL REVENUE FUND (27114)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	97,500	97,500	76,717	(20,783)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>97,500</u>	<u>97,500</u>	<u>76,717</u>	<u>(20,783)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	94,285	94,285	88,644	5,641
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	3,215	3,215	3,215	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>97,500</u>	<u>97,500</u>	<u>91,859</u>	<u>5,641</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,142)</u>	<u>(15,142)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(15,142)</u>	<u>(15,142)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,147)</u>	<u>(13,147)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,147)</u>	<u>(13,147)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,289)</u>	<u>\$ (28,289)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (15,142)	
Adjustments to revenues			20,771	
Adjustments to expenditures			(5,629)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TANF PED SPECIAL REVENUE FUND (27115)
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1	1
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND (27117)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-44

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	26,319	26,319
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>26,319</u>	<u>26,319</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,319</u>	<u>\$ 26,319</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OBESITY PROGRAM - PED SPECIAL REVENUE FUND (27120)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-45

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	135	135
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>135</u>	<u>135</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ 135</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TEACHERS/SCHOOL LEADERS STIPENDS AT-RISK SPECIAL REVENUE FUND (27122)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-46

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	4,998	4,998
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>4,998</u>	<u>4,998</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	2,367	(2,367)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>2,367</u>	<u>(2,367)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,631</u>	<u>2,631</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,631</u>	<u>2,631</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(2,631)	(2,631)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,631)</u>	<u>(2,631)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 2,631	
Adjustments to revenues			(4,998)	
Adjustments to expenditures			2,367	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TANF FULL DAY KINDERGARTEN SPECIAL REVENUE FUND (27136)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-47

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	207	207
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>207</u>	<u>207</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207</u>	<u>\$ 207</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INCENTIVES FOR SCHOOL IMPROVEMENT ACT SPECIAL REVENUE FUND (27138)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-48

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	44,234	44,234
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>44,234</u>	<u>44,234</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,234</u>	<u>\$ 44,234</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SUMMER BRIDGE SPECIAL REVENUE FUND (27144)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-49

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	107	107
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>107</u>	<u>107</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 107</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PRE-K INITIATIVE SPECIAL REVENUE FUND (27149)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-50

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	108,000	108,000	128,874	20,874
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>108,000</u>	<u>108,000</u>	<u>128,874</u>	<u>20,874</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	106,920	105,885	102,552	3,333
Support services				
Students	-	500	-	500
Instruction	-	-	-	-
General administration	1,080	1,580	1,098	482
School administration	-	35	15	20
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>108,000</u>	<u>108,000</u>	<u>103,665</u>	<u>4,335</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>25,209</u>	<u>25,209</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>25,209</u>	<u>25,209</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(31,568)</u>	<u>(31,568)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(31,568)</u>	<u>(31,568)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,359)</u>	<u>\$ (6,359)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 25,209	
Adjustments to revenues			(22,053)	
Adjustments to expenditures			(3,156)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INDIAN EDUCATION ACT SPECIAL REVENUE FUND (27150)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-51

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	25,000	6,668	(18,332)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>6,668</u>	<u>(18,332)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	20,642	8,268	12,374
Support services				
Students	-	3,505	278	3,227
Instruction	-	-	-	-
General administration	-	853	294	559
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>25,000</u>	<u>8,840</u>	<u>16,160</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,172)</u>	<u>(2,172)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,172)</u>	<u>(2,172)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(4,613)	(4,613)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,613)</u>	<u>(4,613)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,785)</u>	<u>\$ (6,785)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (2,172)	
Adjustments to revenues			6,568	
Adjustments to expenditures			(4)	
Net change in fund balance (GAAP basis)			<u>\$ 4,392</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-52

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	9,934	9,934
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,934</u>	<u>9,934</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,934</u>	<u>\$ 9,934</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-53

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	56,978	30,905	(26,073)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>56,978</u>	<u>30,905</u>	<u>(26,073)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	56,978	28,804	28,174
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>56,978</u>	<u>28,804</u>	<u>28,174</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,101</u>	<u>2,101</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,101</u>	<u>2,101</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(13,870)	(13,870)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,870)</u>	<u>(13,870)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,769)</u>	<u>\$ (11,769)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 2,101	
Adjustments to revenues			(2,101)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND (27166)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-54

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	158,010	243,342	267,107	23,765
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>158,010</u>	<u>243,342</u>	<u>267,107</u>	<u>23,765</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	125,503	188,782	184,076	4,706
Support services				
Students	3,941	7,119	6,966	153
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	14,699	24,629	24,551	78
Central services	-	-	-	-
Operation & maintenance of plant	-	1,207	1,123	84
Student transportation	13,867	21,605	21,603	2
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>158,010</u>	<u>243,342</u>	<u>238,319</u>	<u>5,023</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>28,788</u>	<u>28,788</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>28,788</u>	<u>28,788</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(56,900)</u>	<u>(56,900)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(56,900)</u>	<u>(56,900)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,112)</u>	<u>\$ (28,112)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 28,788	
Adjustments to revenues			(25,082)	
Adjustments to expenditures			(3,699)	
Net change in fund balance (GAAP basis)			<u>\$ 7</u>	

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

STATE OF NEW MEXICO

Statement B-55

TAOS MUNICIPAL SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

AFTER SCHOOL AND SUMMER ENRICHMENT PROGRAM SPECIAL REVENUE FUND (27168)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	75,000	56,784	(18,216)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>75,000</u>	<u>56,784</u>	<u>(18,216)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	43,123	41,461	1,662
Support services				
Students	-	26,127	26,017	110
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	5,750	5,750	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>75,000</u>	<u>73,228</u>	<u>1,772</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,444)</u>	<u>(16,444)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(16,444)</u>	<u>(16,444)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,444)</u>	<u>\$ (16,444)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (16,444)	
Adjustments to revenues			17,934	
Adjustments to expenditures			(1,490)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2013 SCHOOL BUS SPECIAL REVENUE FUND (27178)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-56

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	78,200	143,817	65,617
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>78,200</u>	<u>143,817</u>	<u>65,617</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	78,200	78,200	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>78,200</u>	<u>78,200</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>65,617</u>	<u>65,617</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>65,617</u>	<u>65,617</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(143,817)	(143,817)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(143,817)</u>	<u>(143,817)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78,200)</u>	<u>\$ (78,200)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 65,617	
Adjustments to revenues			(143,817)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (78,200)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NM GROWN FRESH FRUITS & VEGETABLES SPECIAL REVENUE FUND (27183)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-57

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	10,000	9,775	(225)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>10,000</u>	<u>9,775</u>	<u>(225)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	10,000	9,960	40
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>10,000</u>	<u>9,960</u>	<u>40</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(185)</u>	<u>(185)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(185)</u>	<u>(185)</u>
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (185)</u>	<u>\$ (185)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (185)	
Adjustments to revenues			185	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NEXT GENERATION ASSESSEMENTS SPECIAL REVENUE FUND (27185)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-58

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	25,046	25,046
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>25,046</u>	<u>25,046</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>25,046</u>	<u>25,046</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>25,046</u>	<u>25,046</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(25,046)	(25,046)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(25,046)</u>	<u>(25,046)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 25,046	
Adjustments to revenues			(25,046)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SCHOOL LIBRARY MATERIAL FUND FY 08 SPECIAL REVENUE FUND (27549)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-59

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	972	972
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>972</u>	<u>972</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972</u>	<u>\$ 972</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ASSIST TOBACCO DOH SPECIAL REVENUE FUND (28122)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-60

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,831	1,831	-	1,831
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,831</u>	<u>1,831</u>	<u>-</u>	<u>1,831</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,831)</u>	<u>(1,831)</u>	<u>-</u>	<u>1,831</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,831	1,831	-	(1,831)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,831</u>	<u>1,831</u>	<u>-</u>	<u>(1,831)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	11,831	11,831
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,831</u>	<u>11,831</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,831</u>	<u>\$ 11,831</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 HEALTHIER SCHOOLS SPECIAL REVENUE FUND (28155)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-61

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	57,116	57,116
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>57,116</u>	<u>57,116</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,116</u>	<u>\$ 57,116</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OFFICE OF CULTURAL AFFAIRS SPECIAL REVENUE FUND (28177)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-62

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GEAR-UP CHE SPECIAL REVENUE FUND (28178)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-63

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(44,141)	(44,141)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(44,141)</u>	<u>(44,141)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (44,141)</u>	<u>\$ (44,141)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS - CHILD CARE SPECIAL REVENUE FUND (28189)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-64

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	37,517	22,514	(15,003)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>37,517</u>	<u>22,514</u>	<u>(15,003)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	35,033	21,605	13,428
Support services				
Students	-	2,484	2,233	251
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>37,517</u>	<u>23,838</u>	<u>13,679</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,324)</u>	<u>(1,324)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,324)</u>	<u>(1,324)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	35,619	35,619
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>35,619</u>	<u>35,619</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,295</u>	<u>\$ 34,295</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (1,324)	
Adjustments to revenues			-	
Adjustments to expenditures			(652)	
Net change in fund balance (GAAP basis)			<u>\$ (1,976)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS INSTRUCTION SPECIAL REVENUE FUND (28190)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-65

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	11,000	-	(11,000)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,000</u>	<u>-</u>	<u>(11,000)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,812	2,187	625
Support services				
Students	-	8,188	5,789	2,399
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,000</u>	<u>7,976</u>	<u>3,024</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,976)</u>	<u>(7,976)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,976)</u>	<u>(7,976)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,327	6,327
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,327</u>	<u>6,327</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,649)</u>	<u>\$ (1,649)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (7,976)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (7,976)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-66

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	1,000	7,832	6,832
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,000</u>	<u>7,832</u>	<u>6,832</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	3,025	4,025	973	3,052
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	6,832	6,832	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,025</u>	<u>10,857</u>	<u>7,805</u>	<u>3,052</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,025)</u>	<u>(9,857)</u>	<u>27</u>	<u>9,884</u>
<i>Other financing sources (uses):</i>				
Designated cash	3,025	9,857	-	(9,857)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,025</u>	<u>9,857</u>	<u>-</u>	<u>(9,857)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>
<i>Cash or fund balances - beginning of year</i>	-	-	5,102	5,102
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,102</u>	<u>5,102</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,129</u>	<u>\$ 5,129</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 27	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 27</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND (29130)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-67

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(26,117)	(26,117)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,117)</u>	<u>(26,117)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,117)</u>	<u>\$ (26,117)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

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CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

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

Special Capital Outlay – Local (31300) – The fund provides financing from local revenues for the construction and improvements to District buildings and facilities.

Education Technology Equipment Act (31900) - Fund ensures that American children have skills they need to succeed in the information-intensive 21st century, the federal Government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing teachers with the professional development they need to use new technologies effectively; connecting classrooms to the National information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch.288, 63 Stat 377, and the National Defense Authorization Act for the Fiscal Year 1996, Public Law 104-106.

ANANSI CHARTER SCHOOL

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

Bond Building (31100) — 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. These funds are coming from Taos County which sold a gross receipts bond in order to fund projects at educational institutions in the county.

Public School Capital Outlay (31200) – To account for funds provided through the New Mexico Public Education Department for lease assistance to charter schools.

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).

TAOS CHARTER SCHOOL

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

Bond Building (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. These funds are coming from Taos County which sold a gross receipts bond in order to fund projects at educational institutions in the county.

Public School Capital Outlay (31200) – To account for funds provided through the New Mexico Public Education Department for lease assistance to charter schools

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).

VISTA GRANDE HIGH SCHOOL

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

Bond Building (31100) – This fund is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. These funds are coming from Taos County which sold a gross receipts bond in order to fund projects at educational institutions in the county.

Public School Capital Outlay (31200) – To account for funds provided through the New Mexico Public Education Department for lease assistance to charter schools

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
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2015

Statement C-1

	Special Capital Outlay - Local 31300	Education Technology Equipment Act 31900	Total
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 1	\$ 587,422	\$ 587,423
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Deposits	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>1</u>	<u>587,422</u>	<u>587,423</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	-	53,626	53,626
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenue	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>53,626</u>	<u>53,626</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	-	-	-
Unavailable revenue - other	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted for:			
Grant mandates	-	-	-
Capital projects	1	533,796	533,797
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balances</i>	<u>1</u>	<u>533,796</u>	<u>533,797</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1</u>	<u>\$ 587,422</u>	<u>\$ 587,423</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-2

	Special Capital Outlay - Local 31300	Education Technology Equipment Act 31900	Total
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Investment Income	-	443	443
<i>Total revenues</i>	<u>-</u>	<u>443</u>	<u>443</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community service	-	-	-
Capital outlay	-	494,414	494,414
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>494,414</u>	<u>494,414</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(493,971)</u>	<u>(493,971)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(493,971)</u>	<u>(493,971)</u>
<i>Fund balances - beginning of year</i>	1	1,027,767	1,027,768
<i>Prior period adjustment</i>	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1</u>	<u>1,027,767</u>	<u>1,027,768</u>
<i>Fund balances - end of year</i>	<u>\$ 1</u>	<u>\$ 533,796</u>	<u>\$ 533,797</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECT FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	2,115	2,115
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,115</u>	<u>2,115</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	2,465,722	7,237,214	6,279,572	957,642
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,465,722</u>	<u>7,237,214</u>	<u>6,279,572</u>	<u>957,642</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,465,722)</u>	<u>(7,237,214)</u>	<u>(6,277,457)</u>	<u>959,757</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,465,722	7,237,214	-	(7,237,214)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,465,722</u>	<u>7,237,214</u>	<u>-</u>	<u>(7,237,214)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,277,457)</u>	<u>(6,277,457)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	7,237,214	7,237,214
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,237,214</u>	<u>7,237,214</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 959,757</u>	<u>\$ 959,757</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (6,277,457)	
Adjustments to revenues			-	
Adjustments to expenditures			553,837	
Net change in fund balance (GAAP basis)			<u>\$ (5,723,620)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SPECIAL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND (31300)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-4

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1	1
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)
FOR THE YEAR ENDING JUNE 30, 2015

Statement C-5

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ 2,176,660	\$ 2,176,660	\$ 2,098,358	\$ (78,302)
State grants	-	247,665	247,665	-
Federal grants	-	-	-	-
Miscellaneous	-	1,077	1,077	-
Charges for services	-	-	-	-
Interest	-	710	849	139
<i>Total revenues</i>	<u>2,176,660</u>	<u>2,426,112</u>	<u>2,347,949</u>	<u>(78,163)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	25,000	25,000	22,165	2,835
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	3,528,394	3,835,132	1,562,279	2,272,853
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,553,394</u>	<u>3,860,132</u>	<u>1,584,444</u>	<u>2,275,688</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,376,734)</u>	<u>(1,434,020)</u>	<u>763,505</u>	<u>2,197,525</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,376,734	1,434,020	-	(1,434,020)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,376,734</u>	<u>1,434,020</u>	<u>-</u>	<u>(1,434,020)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>763,505</u>	<u>763,505</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,434,021</u>	<u>1,434,021</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,434,021</u>	<u>1,434,021</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,197,526</u>	<u>\$ 2,197,526</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 763,505	
Adjustments to revenues			(531,747)	
Adjustments to expenditures			(16,797)	
Net change in fund balance (GAAP basis)			<u>\$ 214,961</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION TECHNOLOGY EQUIPMENT ACT CAPITAL PROJECT FUND (31900)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	443	443
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>443</u>	<u>443</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	1,058,594	1,027,767	440,788	586,979
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,058,594</u>	<u>1,027,767</u>	<u>440,788</u>	<u>586,979</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,058,594)</u>	<u>(1,027,767)</u>	<u>(440,345)</u>	<u>587,422</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,058,594	1,027,767	-	(1,027,767)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,058,594</u>	<u>1,027,767</u>	<u>-</u>	<u>(1,027,767)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(440,345)</u>	<u>(440,345)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,027,767	1,027,767
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,027,767</u>	<u>1,027,767</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 587,422</u>	<u>\$ 587,422</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (440,345)	
Adjustments to revenues			-	
Adjustments to expenditures			(53,626)	
Net change in fund balance (GAAP basis)			<u>\$ (493,971)</u>	

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

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DEBT SERVICE FUNDS

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DEBT SERVICE FUND (41000)
FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 2,727,863	\$ 2,727,863	\$ 2,770,900	\$ 43,037
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	531	531	819	288
<i>Total revenues</i>	<u>2,728,394</u>	<u>2,728,394</u>	<u>2,771,719</u>	<u>43,325</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	30,000	30,000	27,709	2,291
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	2,397,233	2,397,233	-	2,397,233
Principal	1,775,000	1,775,000	1,775,000	-
Interest	952,863	952,863	973,335	(20,472)
<i>Total expenditures</i>	<u>5,155,096</u>	<u>5,155,096</u>	<u>2,776,044</u>	<u>2,379,052</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,426,702)</u>	<u>(2,426,702)</u>	<u>(4,325)</u>	<u>2,422,377</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,426,702	2,426,702	-	(2,426,702)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,426,702</u>	<u>2,426,702</u>	<u>-</u>	<u>(2,426,702)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(4,325)</u>	<u>(4,325)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,800,970</u>	<u>2,800,970</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,800,970</u>	<u>2,800,970</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,796,645</u>	<u>\$ 2,796,645</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (4,325)	
Adjustments to revenues			586,020	
Adjustments to expenditures			(584,958)	
Net change in fund balance (GAAP basis)			<u>\$ (3,263)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION TECHNOLOGY DEBT SERVICE FUND (43000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement D-4

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 684,618	\$ 684,618	\$ 694,028	\$ 9,410
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>684,618</u>	<u>684,618</u>	<u>694,028</u>	<u>9,410</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	10,000	10,000	6,940	3,060
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	636,698	636,697	-	636,697
Principal	675,000	675,000	675,000	-
Interest	9,618	9,618	9,618	-
<i>Total expenditures</i>	<u>1,331,316</u>	<u>1,331,315</u>	<u>691,558</u>	<u>639,757</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(646,698)</u>	<u>(646,697)</u>	<u>2,470</u>	<u>649,167</u>
<i>Other financing sources (uses):</i>				
Designated cash	646,698	646,697	-	(646,697)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>646,698</u>	<u>646,697</u>	<u>-</u>	<u>(646,697)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,470</u>	<u>2,470</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>760,524</u>	<u>760,524</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>760,524</u>	<u>760,524</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762,994</u>	<u>\$ 762,994</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 2,470	
Adjustments to revenues			(1,047)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 1,423</u>	

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

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COMPONENT UNITS

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENTS OF NET POSITION - ALL COMPONENT UNITS
 JUNE 30, 2015

Statement E-1

	Anansi Charter School	Taos Charter School	Vista Grande High School	Total
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 185,481	\$ 248,551	\$ 322,921	\$ 756,953
Receivables (net of allowance for uncollectibles)	176,854	287,584	-	464,438
Inventory	-	-	-	-
Prepaid assets	46,584	-	-	46,584
<i>Total current assets</i>	<u>408,919</u>	<u>536,135</u>	<u>322,921</u>	<u>1,267,975</u>
<i>Noncurrent assets</i>				
Prepaid assets	652,058	-	-	652,058
Capital assets (net of accumulated depreciation):				
Land and land improvements	624,961	887,500	-	1,512,461
Buildings and building improvements	1,984,856	2,002,690	131,570	4,119,116
Furniture, fixtures and equipment	103,443	97,124	66,725	267,292
Construction in progress	1,321,490	-	-	1,321,490
Less: accumulated depreciation	(363,409)	(418,563)	(39,625)	(821,597)
<i>Total noncurrent assets</i>	<u>4,323,399</u>	<u>2,568,751</u>	<u>158,670</u>	<u>7,050,820</u>
DEFERRED OUTFLOWS OF RESOURCES				
Subsequent employer contributions and change in proportion- pension:	155,448	313,029	83,419	551,896
<i>Total assets and deferred outflows of resources</i>	<u>\$ 4,887,766</u>	<u>\$ 3,417,915</u>	<u>\$ 565,010</u>	<u>\$ 8,870,691</u>
LIABILITIES				
<i>Current liabilities</i>				
Accounts payable	\$ 10,724	\$ 2,030	\$ 24,414	\$ 37,168
Accrued payroll liabilities	58,662	110,271	72,970	241,903
Accrued interest payable	9,235	-	-	9,235
Unearned lease income	46,584	-	-	46,584
Current maturities of:	-	-	-	-
Bonds payable	-	-	-	-
Loans payable	1,028,586	-	-	1,028,586
Compensated absences	-	-	3,775	3,775
<i>Total current liabilities</i>	<u>1,153,791</u>	<u>112,301</u>	<u>101,159</u>	<u>1,367,251</u>
<i>Noncurrent liabilities:</i>				
Unearned lease income	652,058	-	-	652,058
Bonds payable	-	-	-	-
Loans payable	1,532,994	-	-	1,532,994
Compensated absences	-	-	-	-
Net Pension Liability	1,280,929	1,731,110	991,648	4,003,687
<i>Total noncurrent liabilities</i>	<u>3,465,981</u>	<u>1,731,110</u>	<u>991,648</u>	<u>6,188,739</u>
DEFERRED INFLOWS OF RESOURCES				
Change in pension experience and proportion:	135,520	183,166	309,009	627,695
NET POSITION				
Net investment in capital assets	1,758,250	2,568,751	162,220	4,489,221
Restricted for:				
Debt service	-	-	-	-
Capital projects	86,450	134,061	(101,863)	118,648
Other purposes - special revenue	(34,237)	2,202	(767)	(32,802)
Unrestricted	(1,677,989)	(1,313,676)	(896,396)	(3,888,061)
<i>Total net position</i>	<u>132,474</u>	<u>1,391,338</u>	<u>(836,806)</u>	<u>687,006</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 4,887,766</u>	<u>\$ 3,417,915</u>	<u>\$ 565,010</u>	<u>\$ 8,870,691</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 COMBINING STATEMENTS OF ACTIVITIES - ALL COMPONENT UNITS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement E-2

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Component Units					
Anasi Charter School	\$ 1,768,949	\$ 259,129	\$ 122,460	\$ 405,783	(981,577)
Taos Charter School	2,074,518	165,370	212,979	563,031	(1,133,138)
Vista Grande High School	1,240,720	2,381	5,976	103,690	(1,128,673)
Total Component Units	<u>\$ 5,084,187</u>	<u>\$ 426,880</u>	<u>\$ 341,415</u>	<u>\$ 1,072,504</u>	<u>(3,243,388)</u>
			General Revenues:		
			Property taxes:		
			Levied for general purposes	-	
			Levied for debt service	-	
			Levied for capital projects	239,190	
			State equalization guarantee	3,708,844	
			Federal aid - not restricted	-	
			Unrestricted investment earnings	79	
			Transfer from agency funds	-	
			Miscellaneous	131,402	
			Total general revenues	<u>4,079,515</u>	
			Change in net position	<u>836,127</u>	
			Net position - beginning of year	<u>3,944,497</u>	
			Restatement	<u>(4,093,618)</u>	
			Net position - beginning of year, restated	<u>(149,121)</u>	
			Net position - ending of year	<u>\$ 687,006</u>	

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

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ANANSI CHARTER SCHOOL

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement F-1

	Anansi Charter School	Friends of Anansi Charter School	Total
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 93,551	\$ 91,930	\$ 185,481
Receivables (net of allowance for uncollectibles)	176,854	-	176,854
Inventory	-	-	-
Prepaid assets	46,584	-	46,584
<i>Total current assets</i>	<u>316,989</u>	<u>91,930</u>	<u>408,919</u>
<i>Noncurrent assets</i>			
Prepaid assets	652,058	-	652,058
Capital assets (net of accumulated depreciation):			
Land and land improvements	-	624,961	624,961
Buildings and building improvements	-	1,984,856	1,984,856
Furniture, fixtures and equipment	79,819	23,624	103,443
Construction in progress	295,306	1,026,184	1,321,490
Less: accumulated depreciation	<u>(43,629)</u>	<u>(319,780)</u>	<u>(363,409)</u>
<i>Total noncurrent assets</i>	<u>983,554</u>	<u>3,339,845</u>	<u>4,323,399</u>
DEFERRED OUTFLOWS OF RESOURCES			
Subsequent employer contributions - pensions	155,448	-	155,448
<i>Total assets and deferred outflows of resources</i>	<u>\$ 1,455,991</u>	<u>\$ 3,431,775</u>	<u>\$ 4,887,766</u>
LIABILITIES			
<i>Current liabilities</i>			
Accounts payable	\$ 10,575	\$ 149	\$ 10,724
Accrued payroll liabilities	58,662	-	58,662
Accrued interest payable	-	9,235	9,235
Unearned lease income	-	46,584	46,584
Current maturities of:			
Bonds payable	-	-	-
Loans payable	-	1,028,586	1,028,586
Compensated absences	-	-	-
<i>Total current liabilities</i>	<u>69,237</u>	<u>1,084,554</u>	<u>1,153,791</u>
<i>Noncurrent liabilities:</i>			
Unearned lease income	-	652,058	652,058
Bonds payable	-	-	-
Loans payable	-	1,532,994	1,532,994
Compensated absences	-	-	-
Net Pension Liability	<u>1,280,929</u>	<u>-</u>	<u>1,280,929</u>
<i>Total noncurrent liabilities</i>	<u>1,280,929</u>	<u>2,185,052</u>	<u>3,465,981</u>
DEFERRED INFLOWS OF RESOURCES			
Change in pension experience and proportion	135,520	-	135,520
NET POSITION			
Net investment in capital assets	1,030,138	728,112	1,758,250
Restricted for:			
Debt service	-	-	-
Capital projects	86,450	-	86,450
Special revenue funds	(34,237)	-	(34,237)
Unrestricted	<u>(1,112,046)</u>	<u>(565,943)</u>	<u>(1,677,989)</u>
<i>Total net position</i>	<u>(29,695)</u>	<u>162,169</u>	<u>132,474</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 1,455,991</u>	<u>\$ 3,431,775</u>	<u>\$ 4,887,766</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement F-2

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Anansi Charter School	Component Unit
Primary Government						
Governmental activities:						
Instruction	\$ 839,564	\$ 59,371	\$ 98,488	\$ -	\$ (681,705)	\$ -
Support services:						
Students	66,853	-	-	-	(66,853)	-
Instruction	7,049	-	3,136	-	(3,913)	-
General administration	9,589	-	-	-	(9,589)	-
School administration	267,972	-	-	-	(267,972)	-
Other	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	183,953	-	-	-	(183,953)	-
Student transportation	-	-	-	-	-	-
Food services operation	5,559	-	-	-	(5,559)	-
Community services	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Facilities materials, supplies, & other services	172,144	-	-	405,783	233,639	-
Depreciation - unallocated	-	-	-	-	-	-
Total Primary Government	<u>\$ 1,552,683</u>	<u>\$ 59,371</u>	<u>\$ 101,624</u>	<u>\$ 405,783</u>	<u>(985,905)</u>	<u>-</u>
Component Unit						
Friends of Anansi Charter School	<u>216,266</u>	<u>199,758</u>	<u>20,836</u>	<u>-</u>		<u>4,328</u>
	46,584					
General Revenues:						
Property taxes:						
Levied for general purposes						
					-	-
Levied for debt service						
					-	-
Levied for capital projects						
					-	-
State equalization guarantee						
					1,285,992	-
Federal aid not restricted to specific purpose						
					-	-
Unrestricted investment earnings						
					41	38
Loss on disposal of fixed assets						
					-	-
Miscellaneous						
					-	-
Total general revenues						
					<u>1,286,033</u>	<u>38</u>
Change in net position						
					300,128	4,366
Net position - beginning of year						
					<u>924,523</u>	<u>157,803</u>
Restatement						
					<u>(1,254,346)</u>	<u>-</u>
Net position - beginning of year, restated						
					<u>(329,823)</u>	<u>157,803</u>
Net position - ending of year						
					<u>\$ (29,695)</u>	<u>\$ 162,169</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement F-3

	General Fund		Special Revenue		
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	SEG Federal Stimulus 25250	2010 GO Bonds Student Library Funds (SB1) 27106
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 74,695	\$ 7,268	\$ -	\$ 191	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	2,168	-	6	-	-
Interfund receivables	134,061	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<i>Total assets</i>	<u>210,924</u>	<u>7,268</u>	<u>6</u>	<u>191</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	10,575	-	-	-	-
Accrued payroll liabilities	58,662	-	-	-	-
Interfund payables	-	-	24,526	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>69,237</u>	<u>-</u>	<u>24,526</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Prepaid expenses	-	-	-	-	-
Transportation	-	-	-	-	-
Instructional materials	-	7,268	-	-	-
Grant mandates	-	-	-	191	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	141,687	-	(24,520)	-	-
<i>Total fund balances</i>	<u>141,687</u>	<u>7,268</u>	<u>(24,520)</u>	<u>191</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 210,924</u>	<u>\$ 7,268</u>	<u>\$ 6</u>	<u>\$ 191</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement F-3

	Special Revenue				
	2012 GO Bonds Student Library Fund (SB66) 27107	NM Reads to Lead K-3 Reading Initiative 27114	Robotics 2012 27115	2010 GO Bonds Instructional Materials 27171	Private Direct Grants 29102
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	14,908	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>14,908</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Prepaid expenses	-	-	-	-	-
Transportation	-	-	-	-	-
Instructional materials	-	-	-	-	-
Grant mandates	-	-	-	-	5,000
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(14,908)	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,908)</u>	<u>-</u>	<u>5,000</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement F-3

	Capital Projects			Total
	Bond Building 31100	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ 6,397	\$ 93,551
Accounts receivable				
Taxes	-	-	132,533	132,533
Due from other governments	20,688	21,459	-	44,321
Interfund receivables	-	-	-	134,061
Other	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>20,688</u>	<u>21,459</u>	<u>138,930</u>	<u>404,466</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	10,575
Accrued payroll liabilities	-	-	-	58,662
Interfund payables	73,168	21,459	-	134,061
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>73,168</u>	<u>21,459</u>	<u>-</u>	<u>203,298</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	76,901	76,901
Unavailable revenue - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>76,901</u>	<u>76,901</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Prepaid expenses	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	-	-	7,268
Grant mandates	-	-	-	5,191
Capital projects	-	-	62,029	62,029
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	(52,480)	-	-	49,779
<i>Total fund balances</i>	<u>(52,480)</u>	<u>-</u>	<u>62,029</u>	<u>124,267</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 20,688</u>	<u>\$ 21,459</u>	<u>\$ 138,930</u>	<u>\$ 404,466</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 GOVERNMENTAL FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO
 THE STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement F-4

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

Fund balances - total governmental funds	\$ 124,267
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	331,496
Prepaid leases acquired in governmental activities are not current financial resources and therefor are not reported as assets in governmental funds	698,642
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements	100,944
Changes in proportion for pension calculations are not recorded in the governmental funds but are recorded as deferred outflows for the for the government-wide statements	54,504
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	76,901
Long-term liabilities, including bonds payable and pension related debts, are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(1,280,929)
Changes in pension actuarial experience, investment experience, and change in proportion are not recorded in the governmental funds but are recorded as deferred inflows for the government-wide statements	(135,520)
	<hr/>
Net position - component unit	<u><u>\$ (29,695)</u></u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement F-5

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	SEG Federal Stimulus 25250
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,285,992	10,100	-	-
Federal grants	-	-	33,388	-
Miscellaneous	-	-	-	-
Charges for services	59,371	-	-	-
Investment Income	41	-	-	-
<i>Total revenues</i>	<u>1,345,404</u>	<u>10,100</u>	<u>33,388</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	780,159	7,050	-	-
Support services				
Students	31,750	-	34,985	-
Instruction	7,020	-	-	-
General administration	9,589	-	-	-
School administration	266,862	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	137,361	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	5,559	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,238,300</u>	<u>7,050</u>	<u>34,985</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>107,104</u>	<u>3,050</u>	<u>(1,597)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	(523)	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(523)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>106,581</u>	<u>3,050</u>	<u>(1,597)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	35,106	4,218	(22,923)	191
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>35,106</u>	<u>4,218</u>	<u>(22,923)</u>	<u>191</u>
<i>Fund balances - end of year</i>	<u>\$ 141,687</u>	<u>\$ 7,268</u>	<u>\$ (24,520)</u>	<u>\$ 191</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement F-5

	Special Revenue				
	2010 GO Bonds Student Library Funds (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	NM Reads to Lead K-3 Reading Initiative 27114	Robotics 2012 27115	2010 GO Bonds Instructional Materials 27171
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	3,136	50,000	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,136</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	50,000	14,908	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>14,908</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>3,136</u>	<u>-</u>	<u>(14,908)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	194	-	-	-	329
Proceeds from bond issues	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>194</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329</u>
<i>Net changes in fund balances</i>	<u>194</u>	<u>3,136</u>	<u>-</u>	<u>(14,908)</u>	<u>329</u>
<i>Fund balances - beginning of year</i>	(194)	(3,136)	-	-	(329)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>(194)</u>	<u>(3,136)</u>	<u>-</u>	<u>-</u>	<u>(329)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,908)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement F-5

	Capital Projects				Total
	Private Direct Grants 29102	Bond Building 31100	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ 55,632	\$ 55,632
State grants	-	-	85,834	22,398	1,457,460
Federal grants	-	-	-	-	33,388
Miscellaneous	5,000	-	-	-	5,000
Charges for services	-	-	-	-	59,371
Investment Income	-	-	-	-	41
<i>Total revenues</i>	<u>5,000</u>	<u>-</u>	<u>85,834</u>	<u>78,030</u>	<u>1,610,892</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	852,117
Support services					
Students	-	-	-	-	66,735
Instruction	-	-	-	-	7,020
General administration	-	-	-	-	9,589
School administration	-	-	-	-	266,862
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	137,361
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	5,559
Community service	-	-	-	-	-
Capital outlay	-	215,043	85,834	57,979	358,856
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>215,043</u>	<u>85,834</u>	<u>57,979</u>	<u>1,704,099</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>5,000</u>	<u>(215,043)</u>	<u>-</u>	<u>20,051</u>	<u>(93,207)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	165,018	-	-	165,018
Bond underwriter premium	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>165,018</u>	<u>-</u>	<u>-</u>	<u>165,018</u>
<i>Net changes in fund balances</i>	<u>5,000</u>	<u>(50,025)</u>	<u>-</u>	<u>20,051</u>	<u>71,811</u>
<i>Fund balances - beginning of year</i>	-	(2,455)	-	41,978	52,456
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>-</u>	<u>(2,455)</u>	<u>-</u>	<u>41,978</u>	<u>52,456</u>
<i>Fund balances - end of year</i>	<u>\$ 5,000</u>	<u>\$ (52,480)</u>	<u>\$ -</u>	<u>\$ 62,029</u>	<u>\$ 124,267</u>

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

STATE OF NEW MEXICO

TAOS MUNICIPAL SCHOOL DISTRICT

ANANSI CHARTER SCHOOL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

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

Net change in fund balances - total governmental funds	\$ 71,811
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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 assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Depreciation expense	(6,487)
Capital Outlays	211,142

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

Decrease in prepaid leases	(46,584)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds

Change in deferred revenue related to the property taxes receivable	76,901
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The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Pension contributions - current year	100,944
Pension expense	(107,599)

Change in net position - total governmental activities	\$ 300,128
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OPERATIONAL FUND (11000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,241,349	1,285,993	1,285,992	(1)
Federal grants	-	-	-	-
Miscellaneous	750	750	-	(750)
Charges for services	45,174	45,174	57,203	12,029
Interest	50	50	41	(9)
<i>Total revenues</i>	<u>1,287,323</u>	<u>1,331,967</u>	<u>1,343,236</u>	<u>11,269</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	847,595	862,239	793,496	68,743
Support services				
Students	37,706	44,161	31,750	12,411
Instruction	14,491	11,226	7,020	4,206
General administration	8,975	19,479	11,043	8,436
School administration	259,099	294,039	266,862	27,177
Central services	-	-	-	-
Operation & maintenance of plant	186,671	162,477	137,361	25,116
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	5,560	5,559	1
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,354,537</u>	<u>1,399,181</u>	<u>1,253,091</u>	<u>146,090</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(67,214)</u>	<u>(67,214)</u>	<u>90,145</u>	<u>157,359</u>
<i>Other financing sources (uses):</i>				
Designated cash	67,214	67,214	-	(67,214)
Operating transfers	-	-	(523)	(523)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>67,214</u>	<u>67,214</u>	<u>(523)</u>	<u>(67,737)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>89,622</u>	<u>89,622</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>119,134</u>	<u>119,134</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>119,134</u>	<u>119,134</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,756</u>	<u>\$ 208,756</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 89,622	
Adjustments to revenues			2,168	
Adjustments to expenditures			14,791	
Net change in fund balance (GAAP basis)			<u>\$ 106,581</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INSTRUCTIONAL MATERIALS FUND (14000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	6,052	9,961	10,100	139
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>6,052</u>	<u>9,961</u>	<u>10,100</u>	<u>139</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	6,052	9,961	7,050	2,911
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,052</u>	<u>9,961</u>	<u>7,050</u>	<u>2,911</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,050</u>	<u>3,050</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,050</u>	<u>3,050</u>
<i>Cash or fund balances - beginning of year</i>	-	-	4,218	4,218
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,218</u>	<u>4,218</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,268</u>	<u>\$ 7,268</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 3,050	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 3,050</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	27,454	34,985	33,382	(1,603)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>27,454</u>	<u>34,985</u>	<u>33,382</u>	<u>(1,603)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	27,454	34,985	34,985	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>27,454</u>	<u>34,985</u>	<u>34,985</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,603)</u>	<u>(1,603)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(1,603)	(1,603)
<i>Cash or fund balances - beginning of year</i>	-	-	(22,923)	(22,923)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(22,923)</u>	<u>(22,923)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24,526)</u>	<u>\$ (24,526)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (1,603)	
Adjustments to revenues			6	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (1,597)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SEG FEDERAL STIMULUS SPECIAL REVENUE FUND (25250)
 FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	191	191
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>191</u>	<u>191</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ 191</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS STUDENT LIBRARY FUNDS (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	194	194
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>194</u>	<u>194</u>
<i>Net change in fund balances</i>	-	-	194	194
<i>Cash or fund balances - beginning of year</i>	-	-	(2,484)	(2,484)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,484)</u>	<u>(2,484)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,290)</u>	<u>\$ (2,290)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 194	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 194</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	3,136	3,136
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,136</u>	<u>3,136</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,136</u>	<u>3,136</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	3,136	3,136
<i>Cash or fund balances - beginning of year</i>	-	-	(3,136)	(3,136)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,136)</u>	<u>(3,136)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 3,136	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 3,136</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NM READS TO LEAD K-3 READING INITIATIVE SPECIAL REVENUE FUND (27114)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	50,000	50,000	95,328	45,328
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>95,328</u>	<u>45,328</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	50,000	50,000	50,000	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>45,328</u>	<u>45,328</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	45,328	45,328
<i>Cash or fund balances - beginning of year</i>	-	-	(45,328)	(45,328)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(45,328)</u>	<u>(45,328)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 45,328	
Adjustments to revenues			(45,328)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ROBOTICS 2012 SPECIAL REVENUE FUND (27115)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	14,908	-	(14,908)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>14,908</u>	<u>-</u>	<u>(14,908)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	14,908	14,908	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>14,908</u>	<u>14,908</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,908)</u>	<u>(14,908)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(14,908)	(14,908)
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,908)</u>	<u>\$ (14,908)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (14,908)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (14,908)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27171)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	3,892	3,892
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,892</u>	<u>3,892</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,892</u>	<u>3,892</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	329	329
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>329</u>	<u>329</u>
<i>Net change in fund balances</i>	-	-	4,221	4,221
<i>Cash or fund balances - beginning of year</i>	-	-	(4,221)	(4,221)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,221)</u>	<u>(4,221)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,221	
Adjustments to revenues			(3,892)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 329</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	5,000	5,000	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	5,000	-	5,000
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	5,000	5,000
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 5,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 5,000</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECT FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	307,205	308,493	223,453	85,040
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>307,205</u>	<u>308,493</u>	<u>223,453</u>	<u>85,040</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(307,205)</u>	<u>(308,493)</u>	<u>(223,453)</u>	<u>85,040</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	307,205	308,493	150,285	(158,208)
<i>Total other financing sources (uses)</i>	<u>307,205</u>	<u>308,493</u>	<u>150,285</u>	<u>(158,208)</u>
<i>Net change in fund balances</i>	-	-	(73,168)	(73,168)
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (73,168)</u>	<u>\$ (73,168)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (73,168)	
Adjustments to revenues			14,733	
Adjustments to expenditures			8,410	
Net change in fund balance (GAAP basis)			<u>\$ (50,025)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	85,834	85,464	(370)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>85,834</u>	<u>85,464</u>	<u>(370)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	85,834	85,834	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>85,834</u>	<u>85,834</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(370)</u>	<u>(370)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(370)	(370)
<i>Cash or fund balances - beginning of year</i>	-	-	(21,089)	(21,089)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,089)</u>	<u>(21,089)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,459)</u>	<u>\$ (21,459)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (370)	
Adjustments to revenues			370	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 ANANSI CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement F-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ 21,268	\$ -	\$ (21,268)
State grants	277	43,297	30,243	(13,054)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>277</u>	<u>64,565</u>	<u>30,243</u>	<u>(34,322)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	277	64,565	63,108	1,457
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>277</u>	<u>64,565</u>	<u>63,108</u>	<u>1,457</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(32,865)</u>	<u>(32,865)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(32,865)	(32,865)
<i>Cash or fund balances - beginning of year</i>	-	-	39,262	39,262
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>39,262</u>	<u>39,262</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,397</u>	<u>\$ 6,397</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (32,865)	
Adjustments to revenues			47,787	
Adjustments to expenditures			5,129	
Net change in fund balance (GAAP basis)			<u>\$ 20,051</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 FRIENDS OF ANANSI CHARTER SCHOOL
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement F-20

<i>Cash flows from operating activities:</i>	
Cash received from customers	\$ 128,317
Donations and other income	45,693
Interest income	38
Cash payments for supplies and maintenance	(65,788)
<i>Net cash provided (used) by operating activities</i>	<u>108,260</u>
<i>Cash flows from investing activities</i>	
Purchase of capital assets	(1,002,913)
<i>Net cash provided (used) by investing activities</i>	<u>(1,002,913)</u>
<i>Cash flows from financing activities:</i>	
Loan principal payments	(48,475)
Loan interest payments	(84,375)
Loan proceeds	1,000,000
<i>Net cash provided (used) by financing activities</i>	<u>867,150</u>
<i>Net increase (decrease) in cash and cash equivalents</i>	(27,503)
<i>Cash and cash equivalents - beginning of year</i>	<u>119,433.00</u>
<i>Cash and cash equivalents - end of year</i>	<u>\$ 91,930</u>
<i>Reconciliation of operating income (loss) to</i>	
<i>net cash provided (used) by operating activities:</i>	
Operating income (loss)	109,565
Adjustments to reconcile operating income (loss) to	
net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	-
Accounts payable	(1,305)
Accrued liabilities	-
<i>Net cash provided (used) by operating activities:</i>	<u>\$ 108,260</u>

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

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TAOS CHARTER SCHOOL

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement G-1

	Taos Charter School	Friends of Taos Charter School	Total
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 152,535	96,016	\$ 248,551
Receivables (net of allowance for uncollectibles)	263,901	23,683	287,584
Inventory	-	-	-
Prepaid assets	-	-	-
<i>Total current assets</i>	<u>416,436</u>	<u>119,699</u>	<u>536,135</u>
<i>Noncurrent assets</i>			
Prepaid assets	-	-	-
Capital assets (net of accumulated depreciation):			
Land and land improvements	887,500	-	887,500
Buildings and building improvements	1,267,734	734,956	2,002,690
Furniture, fixtures and equipment	97,124	-	97,124
Construction in progress	-	-	-
Less: accumulated depreciation	(253,197)	(165,366)	(418,563)
<i>Total noncurrent assets</i>	<u>1,999,161</u>	<u>569,590</u>	<u>2,568,751</u>
DEFERRED OUTFLOWS OF RESOURCES			
Subsequent employer contributions and change in proportion- pensions	313,029	-	313,029
<i>Total assets and deferred outflows of resources</i>	<u>\$ 2,728,626</u>	<u>\$ 689,289</u>	<u>\$ 3,417,915</u>
LIABILITIES			
<i>Current liabilities</i>			
Accounts payable	\$ 1,180	\$ 850	2,030
Accrued payroll liabilities	110,271	-	110,271
Accrued interest payable	-	-	-
Unearned lease income	-	-	-
Current maturities of:			
Bonds payable	-	-	-
Capital lease	-	-	-
Compensated absences	-	-	-
<i>Total current liabilities</i>	<u>111,451</u>	<u>850</u>	<u>112,301</u>
<i>Noncurrent liabilities:</i>			
Unearned lease income	-	-	-
Bonds payable	-	-	-
Capital lease	-	-	-
Compensated absences	-	-	-
Net Pension Liability	1,731,110	-	1,731,110
<i>Total noncurrent liabilities</i>	<u>1,731,110</u>	<u>-</u>	<u>1,731,110</u>
DEFERRED INFLOWS OF RESOURCES			
Change in pension experience and proportion	183,166	-	183,166
NET POSITION			
Net investment in capital assets	1,999,161 #	569,590 #	2,568,751
Restricted for:			
Debt service	-	-	-
Capital projects	134,061	-	134,061
Special revenue funds	2,202	-	2,202
Unrestricted	(1,432,525)	118,849	(1,313,676)
<i>Total net position</i>	<u>702,899</u>	<u>688,439</u>	<u>1,391,338</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 2,728,626</u>	<u>\$ 689,289</u>	<u>\$ 3,417,915</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement G-2

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Taos Charter School	Component Unit
Primary Government						
Governmental activities:						
Instruction	\$ 1,122,433	\$ 23,271	\$ 189,286	\$ -	\$ (909,876)	\$ -
Support services:						
Students	99,458	-	8,622	-	(90,836)	-
Instruction	853	-	1,842	-	989	-
General administration	13,134	-	-	-	(13,134)	-
School administration	215,896	-	-	-	(215,896)	-
Other	-	-	-	-	-	-
Central services	54,228	-	-	-	(54,228)	-
Operation & maintenance of plant	188,088	-	-	-	(188,088)	-
Student transportation	-	-	-	-	-	-
Food services operation	2,178	-	-	-	(2,178)	-
Community services	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-
Facilities materials, supplies, & other services	218,360	-	-	563,031	344,671	-
Depreciation - unallocated	-	-	-	-	-	-
Total Primary Government	<u>\$ 1,914,628</u>	<u>\$ 23,271</u>	<u>\$ 199,750</u>	<u>\$ 563,031</u>	<u>(1,128,576)</u>	<u>-</u>
Component Unit						
Friends of Taos Charter School	<u>\$ 159,890</u>	<u>\$ 142,099</u>	<u>\$ 13,229</u>	<u>\$ -</u>		<u>(4,562)</u>

General Revenues:

Property taxes:		
Levied for general purposes	-	-
Levied for debt service	-	-
Levied for capital projects	239,190	-
Oil and gas taxes	-	-
State equalization guarantee	1,473,111	-
Federal aid not restricted to specific purpose	-	-
Unrestricted investment earnings	-	-
Loss on disposal of fixed assets	-	-
Miscellaneous	94,573	-
Total general revenues	<u>1,806,874</u>	<u>-</u>
Change in net position	678,298	(4,562)
Net position - beginning of year	<u>1,561,043</u>	<u>693,001</u>
Restatement	<u>(1,536,442)</u>	<u>-</u>
Net position - beginning of year, restated	<u>24,601</u>	<u>693,001</u>
Net position - ending of year	<u>\$ 702,899</u>	<u>\$ 688,439</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement G-3

	General Fund		Special Revenue		
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	SEG Federal Stimulus 25250	2010 GO Bonds Student Library Funds (SB1) 27106
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 123,662	\$ 25,817	\$ -	\$ 56	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	24,711	-	-
Interfund receivables	130,694	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<i>Total assets</i>	<u>254,356</u>	<u>25,817</u>	<u>24,711</u>	<u>56</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	1,180	-	-	-	-
Accrued payroll liabilities	110,271	-	-	-	-
Interfund payables	-	-	24,712	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>111,451</u>	<u>-</u>	<u>24,712</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	24,711	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>24,711</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Prepaid expenses	-	-	-	-	-
Transportation	-	-	-	-	-
Instructional materials	-	25,817	-	-	-
Grant mandates	-	-	-	56	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	142,905	-	(24,712)	-	-
<i>Total fund balances</i>	<u>142,905</u>	<u>25,817</u>	<u>(24,712)</u>	<u>56</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 254,356</u>	<u>\$ 25,817</u>	<u>\$ 24,711</u>	<u>\$ 56</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement G-3

	Special Revenue				Bond Building 31100
	2012 GO Bonds Student Library Fund (SB66) 27107	NM Reads to Lead K-3 Reading Initiative 27114	2010 GO Bonds Instructional Materials 27171	Private Direct Grants 29102	
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ 3,000	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	853	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Prepaid expenses	-	-	-	-	-
Transportation	-	-	-	-	-
Instructional materials	-	-	-	-	-
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	3,000	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(853)	-	-	-	-
<i>Total fund balances</i>	<u>(853)</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement G-3

	Capital Projects		Total
	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ -	\$ -	\$ 152,535
Accounts receivable			
Taxes	-	239,190	239,190
Due from other governments	-	-	24,711
Interfund receivables	-	-	130,694
Other	-	-	-
Inventory	-	-	-
Prepaid expenses	-	-	-
<i>Total assets</i>	<u>-</u>	<u>239,190</u>	<u>547,130</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	-	-	1,180
Accrued payroll liabilities	-	-	110,271
Interfund payables	-	105,129	130,694
Unearned revenue	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>105,129</u>	<u>242,145</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	139,464	139,464
Unavailable revenue - other	-	-	24,711
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>139,464</u>	<u>164,175</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted for:			
Prepaid expenses	-	-	-
Transportation	-	-	-
Instructional materials	-	-	25,817
Grant mandates	-	-	56
Capital projects	-	-	3,000
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	(5,403)	111,937
<i>Total fund balances</i>	<u>-</u>	<u>(5,403)</u>	<u>140,810</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 239,190</u>	<u>\$ 547,130</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 GOVERNMENTAL FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO
 THE STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement G-4

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

Fund balances - total governmental funds	\$ 140,810
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,999,161
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements	121,548
Changes in proportion for pension calculations are not recorded in the governmental funds but are recorded as deferred outflows for the for the government-wide statements	191,481
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	139,464
Deferred inflows of resources represent revenues collected but not "available" and are considered to be deferred revenue in the fund financial statements but are considered revenue in the statement of activities	24,711
Long-term liabilities, including bonds payable and pension related debts, are not due and payable in the current period and therefore are not reported in the funds:	
Net pension liability	(1,731,110)
Changes in pension actuarial experience, investment experience, and change in proportion are not recorded in the governmental funds but are recorded as deferred inflows for the government-wide statements	(183,166)
Net position - component unit	\$ 702,899

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2015

Statement G-5

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	SEG Federal Stimulus 25250
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,473,111	15,154	-	-
Federal grants	-	-	105,043	-
Miscellaneous	94,573	-	-	-
Charges for services	23,271	-	-	-
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>1,590,955</u>	<u>15,154</u>	<u>105,043</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	985,409	9,926	22,938	-
Support services				
Students	53,690	-	45,202	-
Instruction	-	-	-	-
General administration	13,134	-	-	-
School administration	205,817	-	-	-
Central services	54,228	-	-	-
Operation & maintenance of plant	188,088	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	2,178	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,502,544</u>	<u>9,926</u>	<u>68,140</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>88,411</u>	<u>5,228</u>	<u>36,903</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>88,411</u>	<u>5,228</u>	<u>36,903</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	54,494	20,589	(61,615)	56
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>54,494</u>	<u>20,589</u>	<u>(61,615)</u>	<u>56</u>
<i>Fund balances - end of year</i>	<u>\$ 142,905</u>	<u>\$ 25,817</u>	<u>\$ (24,712)</u>	<u>\$ 56</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue			
	2010 GO Bonds Student Library Funds (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	NM Reads to Lead K-3 Reading Initiative 27114	2010 GO Bonds Instructional Materials 27171
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,842	50,000	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,842</u>	<u>50,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	50,000	-
Support services				
Students	-	-	-	-
Instruction	-	853	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>853</u>	<u>50,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>989</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>989</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	(1,842)	-	-
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>-</u>	<u>(1,842)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (853)</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement G-5

	Capital Projects				Total
	Private Direct Grants 29102	Bond Building 31100	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ 99,726	\$ 99,726
State grants	-	-	142,100	41,848	1,724,055
Federal grants	-	-	-	-	105,043
Miscellaneous	3,000	-	-	-	97,573
Charges for services	-	-	-	-	23,271
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>3,000</u>	<u>-</u>	<u>142,100</u>	<u>141,574</u>	<u>2,049,668</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	-	-	1,068,273
Support services					
Students	-	-	-	-	98,892
Instruction	-	-	-	-	853
General administration	-	-	-	-	13,134
School administration	-	-	-	-	205,817
Central services	-	-	-	-	54,228
Operation & maintenance of plant	-	-	-	-	188,088
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	2,178
Community service	-	-	-	-	-
Capital outlay	-	369,256	142,100	201,338	712,694
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>369,256</u>	<u>142,100</u>	<u>201,338</u>	<u>2,344,157</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>3,000</u>	<u>(369,256)</u>	<u>-</u>	<u>(59,764)</u>	<u>(294,489)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	379,083	-	-	379,083
Bond underwriter premium	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>379,083</u>	<u>-</u>	<u>-</u>	<u>379,083</u>
<i>Net changes in fund balances</i>	<u>3,000</u>	<u>9,827</u>	<u>-</u>	<u>(59,764)</u>	<u>84,594</u>
<i>Fund balances - beginning of year</i>	-	(9,827)	-	54,361	56,216
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>-</u>	<u>(9,827)</u>	<u>-</u>	<u>54,361</u>	<u>56,216</u>
<i>Fund balances - end of year</i>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,403)</u>	<u>\$ 140,810</u>

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

STATE OF NEW MEXICO

Statement G-6

TAOS MUNICIPAL SCHOOL DISTRICT

TAOS CHARTER SCHOOL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

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

Net change in fund balances - total governmental funds	\$ 84,594
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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 assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Depreciation expense	(59,998)
Capital Outlays	554,332

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

Change in deferred revenue related to the property taxes receivable	139,464
Change in deferred inflows of resources - other	24,711

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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Pension contributions - current year	121,548
Pension expense	(186,353)

Change in net position - total governmental activities	<u>\$ 678,298</u>
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
TAOS CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
OPERATIONAL FUND (11000)
FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,472,376	1,473,111	1,473,111	-
Federal grants	-	-	-	-
Miscellaneous	35,950	79,382	94,573	15,191
Charges for services	27,574	27,574	23,271	(4,303)
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,535,900</u>	<u>1,580,067</u>	<u>1,590,955</u>	<u>10,888</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,078,006	1,098,845	1,031,208	67,637
Support services				
Students	89,960	65,223	53,690	11,533
Instruction	-	-	-	-
General administration	11,981	12,901	13,134	(233)
School administration	202,198	210,077	205,817	4,260
Central services	55,487	55,515	54,228	1,287
Operation & maintenance of plant	167,072	204,132	188,883	15,249
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	2,178	2,178	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,604,704</u>	<u>1,648,871</u>	<u>1,549,138</u>	<u>99,733</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(68,804)</u>	<u>(68,804)</u>	<u>41,817</u>	<u>110,621</u>
<i>Other financing sources (uses):</i>				
Designated cash	68,804	68,804	-	(68,804)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>68,804</u>	<u>68,804</u>	<u>-</u>	<u>(68,804)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>41,817</u>	<u>41,817</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>212,539</u>	<u>212,539</u>
Prior period adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>212,539</u>	<u>212,539</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 254,356</u>	<u>\$ 254,356</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 41,817	
Adjustments to revenues			-	
Adjustments to expenditures			46,594	
Net change in fund balance (GAAP basis)			<u>\$ 88,411</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INSTRUCTIONAL MATERIALS FUND (14000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	10,948	15,154	15,154	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,948</u>	<u>15,154</u>	<u>15,154</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	10,948	15,154	9,926	5,228
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,948</u>	<u>15,154</u>	<u>9,926</u>	<u>5,228</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>5,228</u>	<u>5,228</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>5,228</u>	<u>5,228</u>
<i>Cash or fund balances - beginning of year</i>	-	-	20,589	20,589
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>20,589</u>	<u>20,589</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,817</u>	<u>\$ 25,817</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 5,228	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 5,228</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	53,463	68,140	105,043	36,903
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>53,463</u>	<u>68,140</u>	<u>105,043</u>	<u>36,903</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	19,238	22,938	22,938	-
Support services				
Students	34,225	45,202	45,202	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>53,463</u>	<u>68,140</u>	<u>68,140</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>36,903</u>	<u>36,903</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	36,903	36,903
<i>Cash or fund balances - beginning of year</i>	-	-	(61,615)	(61,615)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(61,615)</u>	<u>(61,615)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24,712)</u>	<u>\$ (24,712)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 36,903	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 36,903</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SEG FEDERAL STIMULUS SPECIAL REVENUE FUND (25250)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	56	56
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>56</u>	<u>56</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ 56</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS STUDENT LIBRARY FUNDS (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	2,175	2,175
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,175</u>	<u>2,175</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,175</u>	<u>2,175</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	2,175	2,175
<i>Cash or fund balances - beginning of year</i>	-	-	(2,175)	(2,175)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,175)</u>	<u>(2,175)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 2,175	
Adjustments to revenues			(2,175)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,418	1,418	1,842	424
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,418</u>	<u>1,418</u>	<u>1,842</u>	<u>424</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	1,418	1,418	853	565
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,418</u>	<u>1,418</u>	<u>853</u>	<u>565</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>989</u>	<u>989</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	989	989
<i>Cash or fund balances - beginning of year</i>	-	-	(1,842)	(1,842)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,842)</u>	<u>(1,842)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (853)</u>	<u>\$ (853)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 989	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 989</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NM READS TO LEAD K-3 READING INITIATIVE SPECIAL REVENUE FUND (27114)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	50,000	50,000	97,588	47,588
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>97,588</u>	<u>47,588</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	50,000	50,000	50,000	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>47,588</u>	<u>47,588</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	47,588	47,588
<i>Cash or fund balances - beginning of year</i>	-	-	(47,588)	(47,588)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(47,588)</u>	<u>(47,588)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 47,588	
Adjustments to revenues			(47,588)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27171)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	3,000	3,000	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,000	-	3,000
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	3,000	3,000
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 3,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 3,000</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECT FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	497,281	387,717	387,716	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>497,281</u>	<u>387,717</u>	<u>387,716</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(497,281)</u>	<u>(387,717)</u>	<u>(387,716)</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	497,281	387,717	430,637	42,920
<i>Total other financing sources (uses)</i>	<u>497,281</u>	<u>387,717</u>	<u>430,637</u>	<u>42,920</u>
<i>Net change in fund balances</i>	-	-	42,921	42,921
<i>Cash or fund balances - beginning of year</i>	-	-	(42,921)	(42,921)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(42,921)</u>	<u>(42,921)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 42,921	
Adjustments to revenues			(51,554)	
Adjustments to expenditures			18,460	
Net change in fund balance (GAAP basis)			<u>\$ 9,827</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	142,100	213,150	71,050
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>142,100</u>	<u>213,150</u>	<u>71,050</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	142,100	142,100	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>142,100</u>	<u>142,100</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>71,050</u>	<u>71,050</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	71,050	71,050
<i>Cash or fund balances - beginning of year</i>	-	-	(71,050)	(71,050)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(71,050)</u>	<u>(71,050)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 71,050	
Adjustments to revenues			(71,050)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 TAOS CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement G-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	59,462	56,275	(3,187)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>59,462</u>	<u>56,275</u>	<u>(3,187)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	99,396	201,338	(101,942)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>99,396</u>	<u>201,338</u>	<u>(101,942)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(39,934)</u>	<u>(145,063)</u>	<u>(105,129)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	39,934	-	(39,934)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>39,934</u>	<u>-</u>	<u>(39,934)</u>
<i>Net change in fund balances</i>	-	-	(145,063)	(145,063)
<i>Cash or fund balances - beginning of year</i>	-	-	39,934	39,934
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>39,934</u>	<u>39,934</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (105,129)</u>	<u>\$ (105,129)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (145,063)	
Adjustments to revenues			85,299	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (59,764)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 FRIENDS OF TAOS CHARTER SCHOOL
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement G-19

<i>Cash flows from operating activities:</i>	
Cash received from customers	\$ 130,258
Donations and other income	13,229
Cash payments for supplies and maintenance	(145,023)
<i>Net cash provided (used) by operating activities</i>	<u>(1,536)</u>
<i>Cash flows from investing activities</i>	
Purchase of capital assets	-
<i>Net cash provided (used) by investing activities</i>	<u>-</u>
<i>Cash flows from financing activities:</i>	
Loan principal payments	-
Loan interest payments	-
<i>Net cash provided (used) by financing activities</i>	<u>-</u>
<i>Net increase (decrease) in cash and cash equivalents</i>	(1,536)
<i>Cash and cash equivalents - beginning of year</i>	<u>97,552</u>
<i>Cash and cash equivalents - end of year</i>	<u><u>\$ 96,016</u></u>
<i>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</i>	
Operating income (loss)	\$ 13,812
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	(11,841)
Accounts payable	(3,507)
Accrued liabilities	-
<i>Net cash provided (used) by operating activities:</i>	<u><u>\$ (1,536)</u></u>

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

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VISTA GRANDE HIGH SCHOOL

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement H-1

	<u>Governmental Activities</u>
ASSETS	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 322,921
Receivables (net of allowance for uncollectibles)	-
Inventory	-
Prepaid assets	-
<i>Total current assets</i>	<u>322,921</u>
<i>Noncurrent assets</i>	
Prepaid assets	-
Capital assets (net of accumulated depreciation):	
Land and land improvements	-
Buildings and building improvements	131,570
Furniture, fixtures and equipment	66,725
Construction in progress	-
Less: accumulated depreciation	<u>(39,625)</u>
<i>Total noncurrent assets</i>	<u>158,670</u>
DEFERRED OUTFLOWS OF RESOURCES	
Subsequent employer contributions and change in proportion- pensions	<u>83,419</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 565,010</u>
LIABILITIES	
<i>Current liabilities</i>	
Accounts payable	\$ 24,414
Accrued payroll liabilities	72,970
Accrued interest payable	-
Unearned lease income	-
Current maturities of:	
Bonds payable	-
Loans payable	-
Compensated absences	3,775
<i>Total current liabilities</i>	<u>101,159</u>
<i>Noncurrent liabilities:</i>	
Unearned lease income	-
Bonds payable	-
Loans payable	-
Net Pension Liability	991,648
<i>Total noncurrent liabilities</i>	<u>991,648</u>
DEFERRED INFLOWS OF RESOURCES	
Change in pension experience and proportion	<u>309,009</u>
NET POSITION	
Net investment in capital assets	158,670
Restricted for:	
Debt service	-
Capital projects	(101,863)
Special revenue funds	(767)
Unrestricted	<u>(892,846)</u>
<i>Total net position</i>	<u>(836,806)</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 565,010</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement H-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<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>	
Primary Government					
Governmental activities:					
Instruction	\$ 532,981	\$ 2,381	\$ 5,976	\$ -	\$ (524,624)
Support services:					
Students	91,409	-	-	-	(91,409)
Instruction	-	-	-	-	-
General administration	15,342	-	-	-	(15,342)
School administration	146,651	-	-	-	(146,651)
Other	-	-	-	-	-
Central services	129,769	-	-	-	(129,769)
Operation & maintenance of plant	111,474	-	-	-	(111,474)
Student transportation	-	-	-	-	-
Food services operation	-	-	-	-	-
Community services	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-
Facilities materials, supplies, & other services	213,094	-	-	103,690	(109,404)
Depreciation - unallocated	-	-	-	-	-
Total Primary Government	<u>\$ 1,240,720</u>	<u>\$ 2,381</u>	<u>\$ 5,976</u>	<u>\$ 103,690</u>	<u>(1,128,673)</u>

General Revenues:

Property taxes:	
Levied for general purposes	-
Levied for debt service	-
Levied for capital projects	-
Oil and gas taxes	-
State equalization guarantee	949,741
Federal aid not restricted to specific purpose	-
Unrestricted investment earnings	-
Transfer from agency funds	-
Miscellaneous	36,829
Total general revenues	<u>986,570</u>
Change in net position	(142,103)
Net position - beginning of year	<u>608,127</u>
Restatement - change in accounting principle	<u>(1,302,830)</u>
Net position - beginning of year, restated	<u>(694,703)</u>
Net position - ending of year	<u>\$ (836,806)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement H-3

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	2010 GO Bonds Student Library Funds (SB1) 27106
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 312,912	\$ 8,132	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	85,603	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>398,515</u>	<u>8,132</u>	<u>-</u>	<u>-</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	5,510	-	-	-
Accrued payroll liabilities	72,970	-	-	-
Interfund payables	-	-	623	2,021
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>78,480</u>	<u>-</u>	<u>623</u>	<u>2,021</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Prepaid expenses	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	8,132	-	-
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	320,035	-	(623)	(2,021)
<i>Total fund balances</i>	<u>320,035</u>	<u>8,132</u>	<u>(623)</u>	<u>(2,021)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 398,515</u>	<u>\$ 8,132</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement H-3

	Special Revenue			
	2012 GO Bonds Student Library Fund (SB66) 27107	Technology for Education 27145	School Library Material Fund FY08 27549	Private Direct Grants 29102
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 1,529	\$ 304	\$ 44
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>1,529</u>	<u>304</u>	<u>44</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Prepaid expenses	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	-	-	-
Grant mandates	-	1,529	304	44
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>1,529</u>	<u>304</u>	<u>44</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 1,529</u>	<u>\$ 304</u>	<u>\$ 44</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 COMBINING BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement H-3

	Capital Projects			Total
	Bond Building 31100	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ 322,921
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	85,603
Other	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>408,524</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	18,904	-	-	24,414
Accrued payroll liabilities	-	-	-	72,970
Interfund payables	15,532	56,723	10,704	85,603
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>34,436</u>	<u>56,723</u>	<u>10,704</u>	<u>182,987</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Unavailable revenue - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Prepaid expenses	-	-	-	-
Transportation	-	-	-	-
Instructional materials	-	-	-	8,132
Grant mandates	-	-	-	1,877
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	(34,436)	(56,723)	(10,704)	215,528
<i>Total fund balances</i>	<u>(34,436)</u>	<u>(56,723)</u>	<u>(10,704)</u>	<u>225,537</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,524</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 GOVERNMENTAL FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO
 THE STATEMENT OF NET POSITION
 JUNE 30, 2015

Statement H-4

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

Fund balances - total governmental funds	\$ 225,537
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	158,670
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements	83,419
Long-term liabilities, including bonds payable and pension related debts, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(3,775)
Net pension liability	(991,648)
Changes in pension actuarial experience, investment experience, and change in proportion are not recorded in the governmental funds but are recorded as deferred inflows for the government-wide statements	(309,009)
	<hr/>
Net position - component unit	<u><u>\$ (836,806)</u></u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE HIGH SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund		Special Revenue	
	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	2010 GO Bonds Student Library Funds (SB1) 27106
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	982,484	5,976	-	-
Federal grants	-	-	-	-
Miscellaneous	4,086	-	-	-
Charges for services	2,381	-	-	-
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>988,951</u>	<u>5,976</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	575,895	4,355	-	-
Support services				
Students	98,964	-	-	-
Instruction	-	-	-	-
General administration	15,342	-	-	-
School administration	162,375	-	-	-
Central services	142,284	-	-	-
Operation & maintenance of plant	114,668	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,109,528</u>	<u>4,355</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(120,577)</u>	<u>1,621</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(120,577)</u>	<u>1,621</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	440,612	6,511	(623)	(2,021)
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>440,612</u>	<u>6,511</u>	<u>(623)</u>	<u>(2,021)</u>
<i>Fund balances - end of year</i>	<u>\$ 320,035</u>	<u>\$ 8,132</u>	<u>\$ (623)</u>	<u>\$ (2,021)</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement H-5

	Special Revenue			
	2012 GO Bonds Student Library Fund (SB66) 27107	Technology for Education 27145	School Library Material Fund FY08 27549	Private Direct Grants 29102
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	1,529	304	44
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>-</u>	<u>1,529</u>	<u>304</u>	<u>44</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 1,529</u>	<u>\$ 304</u>	<u>\$ 44</u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2015

Statement H-5

	Capital Projects			Total
	Bond Building 31100	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	45,814	-	1,034,274
Federal grants	-	-	-	-
Miscellaneous	-	-	-	4,086
Charges for services	-	-	-	2,381
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>45,814</u>	<u>-</u>	<u>1,040,741</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	580,250
Support services				
Students	-	-	-	98,964
Instruction	-	-	-	-
General administration	-	-	-	15,342
School administration	-	-	-	162,375
Central services	-	-	-	142,284
Operation & maintenance of plant	-	-	-	114,668
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	194,857	54,386	6,705	255,948
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>194,857</u>	<u>54,386</u>	<u>6,705</u>	<u>1,369,831</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(194,857)</u>	<u>(8,572)</u>	<u>(6,705)</u>	<u>(329,090)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	103,690	-	-	103,690
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>103,690</u>	<u>-</u>	<u>-</u>	<u>103,690</u>
<i>Net changes in fund balances</i>	<u>(91,167)</u>	<u>(8,572)</u>	<u>(6,705)</u>	<u>(225,400)</u>
<i>Fund balances - beginning of year</i>	56,731	(48,151)	(3,999)	450,937
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>56,731</u>	<u>(48,151)</u>	<u>(3,999)</u>	<u>450,937</u>
<i>Fund balances - end of year</i>	<u>\$ (34,436)</u>	<u>\$ (56,723)</u>	<u>\$ (10,704)</u>	<u>\$ 225,537</u>

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

STATE OF NEW MEXICO

Statement H-6

TAOS MUNICIPAL SCHOOL DISTRICT

VISTA GRANDE HIGH SCHOOL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

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

Net change in fund balances - total governmental funds	\$ (225,400)
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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 assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.

Depreciation expense	(16,153)
Capital Outlays	58,172

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

Change in deferred inflows of resources - other	(45,814)
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The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Decrease in accrued compensated absences	1,500
Pension contributions - current year	83,419
Pension income	2,173

Change in net position - total governmental activities	\$ (142,103)
--	--------------

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OPERATIONAL FUND (11000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	838,751	949,739	982,484	32,745
Federal grants	-	-	-	-
Miscellaneous	-	-	4,086	4,086
Charges for services	-	-	2,381	2,381
Interest	-	-	-	-
<i>Total revenues</i>	<u>838,751</u>	<u>949,739</u>	<u>988,951</u>	<u>39,212</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	617,349	677,321	542,083	135,238
Support services				
Students	95,384	107,133	97,344	9,789
Instruction	200	200	-	200
General administration	27,800	27,800	13,718	14,082
School administration	161,399	169,379	162,375	7,004
Central services	152,317	152,317	142,284	10,033
Operation & maintenance of plant	239,536	270,823	115,668	155,155
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,293,985</u>	<u>1,404,973</u>	<u>1,073,472</u>	<u>331,501</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(455,234)</u>	<u>(455,234)</u>	<u>(84,521)</u>	<u>370,713</u>
<i>Other financing sources (uses):</i>				
Designated cash	455,234	455,234	-	(455,234)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>455,234</u>	<u>455,234</u>	<u>-</u>	<u>(455,234)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(84,521)</u>	<u>(84,521)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>483,036</u>	<u>483,036</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>483,036</u>	<u>483,036</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,515</u>	<u>\$ 398,515</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (84,521)	
Adjustments to revenues			-	
Adjustments to expenditures			(36,056)	
Net change in fund balance (GAAP basis)			<u>\$ (120,577)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INSTRUCTIONAL MATERIALS FUND (14000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	5,976	5,976
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5,976</u>	<u>5,976</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	4,355	(4,355)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>4,355</u>	<u>(4,355)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,621</u>	<u>1,621</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,621</u>	<u>1,621</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,511	6,511
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,511</u>	<u>6,511</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,132</u>	<u>\$ 8,132</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 1,621	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 1,621</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	25,781	-	(25,781)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,781</u>	<u>-</u>	<u>(25,781)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	25,781	-	25,781
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>25,781</u>	<u>-</u>	<u>25,781</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	(623)	(623)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(623)</u>	<u>(623)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (623)</u>	<u>\$ (623)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS STUDENT LIBRARY FUNDS (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	(2,021)	(2,021)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,021)</u>	<u>(2,021)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,021)</u>	<u>\$ (2,021)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	3,122	3,122	-	(3,122)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>3,122</u>	<u>3,122</u>	<u>-</u>	<u>(3,122)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	3,122	3,122	-	3,122
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,122</u>	<u>3,122</u>	<u>-</u>	<u>3,122</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND (27145)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	1,529	1,529
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,529</u>	<u>1,529</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,529</u>	<u>\$ 1,529</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SCHOOL LIBRARY MATERIAL FUND FY08 SPECIAL REVENUE FUND (27549)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	304	304
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>304</u>	<u>304</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 304</u>	<u>\$ 304</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash or fund balances - beginning of year</i>	-	-	44	44
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 44</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECT FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	223,972	(223,972)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>223,972</u>	<u>(223,972)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(223,972)</u>	<u>(223,972)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	234,595	234,595
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>234,595</u>	<u>234,595</u>
<i>Net change in fund balances</i>	-	-	10,623	10,623
<i>Cash or fund balances - beginning of year</i>	-	-	(26,155)	(26,155)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,155)</u>	<u>(26,155)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,532)</u>	<u>\$ (15,532)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 10,623	
Adjustments to revenues			(130,905)	
Adjustments to expenditures			29,115	
Net change in fund balance (GAAP basis)			<u>\$ (91,167)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	54,386	45,814	(8,572)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>54,386</u>	<u>45,814</u>	<u>(8,572)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	54,386	54,386	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>54,386</u>	<u>54,386</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,572)</u>	<u>(8,572)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(8,572)	(8,572)
<i>Cash or fund balances - beginning of year</i>	-	-	(48,151)	(48,151)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(48,151)</u>	<u>(48,151)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (56,723)</u>	<u>\$ (56,723)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (8,572)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (8,572)</u>	

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement H-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	9,752	13,916	-	(13,916)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>9,752</u>	<u>13,916</u>	<u>-</u>	<u>(13,916)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	9,752	13,916	6,705	7,211
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,752</u>	<u>13,916</u>	<u>6,705</u>	<u>7,211</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,705)</u>	<u>(6,705)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(6,705)	(6,705)
<i>Cash or fund balances - beginning of year</i>	-	-	(3,999)	(3,999)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,999)</u>	<u>(3,999)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,704)</u>	<u>\$ (10,704)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (6,705)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (6,705)</u>	

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
VISTA GRANDE HIGH SCHOOL
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

Statement H-18

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	<u>2,612</u>
<i>Total assets</i>	<u><u>2,612</u></u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	<u>2,612</u>
<i>Total liabilities</i>	<u><u>\$ 2,612</u></u>

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

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 VISTA GRANDE HIGH SCHOOL
 STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement H-19

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
General Activity	\$ 312	\$ 3,757	\$ 1,457	\$ -	\$ 2,612
	\$ 312	\$ 3,757	\$ 1,457	\$ -	\$ 2,612

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

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OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule I

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Administration	\$ 60,791	43,551	39,244	(11,261)	53,837
Taos High School	214,084	375,393	362,113	2,155	229,519
Taos Middle School	38,121	70,847	59,306	4,301	53,963
Enos Elementary	38,604	71,529	71,497	1,460	40,096
Ranchos Elementary	29,583	52,015	47,853	449	34,194
Arroyo Del Norte	11,632	8,964	7,993	-	12,603
	<u>\$ 392,815</u>	<u>\$ 622,299</u>	<u>\$ 588,006</u>	<u>\$ (2,896)</u>	<u>\$ 424,212</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF PLEDGED COLLATERAL

Schedule II

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity Date</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2015</u>
Primary Government				
Centinel Bank				
	FFCB	8/15/2019	3133X8AS1	\$ 1,464,617
	FFCB	5/22/2019	31331VZL3	638,191
	FFCB	6/11/2018	3133ED4Q2	352,858
	FNMA 1612	1/1/2027	3138E5YJ1	723,798
	Alamogordo SD	8/1/2021	011464GW8	250,000
	Jemez Sch Dist. GO	8/1/2022	475868ER2	140,000
	Los Alamos SD GO	8/1/2019	54422NBL9	400,000
Total Centinel Bank				<u>\$ 3,969,464</u>
The securities are held, not in the District's name, at:				
Texas Independent Banker				
45454 Fuller Drive				
Irving, TX 75058				
US Bank				
	FHLMC FGLMC GO1554	5/1/2033	31283HWP6	\$ 364,829
	FNMA POOL 890260 25DD	10/1/2025	31410LB50	174,821
	FNMA POOL AE9299	11/1/2025	31419LKM4	613,562
	FNMA POOL AE9826	12/1/2025	31419L4L4	1,734,262
Total US Bank				<u>\$ 2,887,474</u>
The securities are held, not in the District's name, at:				
Federal Home Loan Bank				
221 E. 4th Street				
Suite 1000				
Cincinnati, OH 45203				
Component Unit - Vista Grande High School				
Centinel Bank				
	Questa GO ED	7/1/2016	74837KAD1	\$ 205,000
Total Centinel Bank				<u>\$ 205,000</u>
The securities are held, not in the District's name, at:				
Texas Independent Banker				
45454 Fuller Drive				
Irving , Texas 75058				

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2015

Schedule III

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Primary Government						
Centinel Bank						
Operational Account/Fed. Prog. Activity Fund	Checking	\$ 5,497,336	\$ 91,931	\$ (577,903)	\$ -	\$ 5,011,364
	Checking	473,995	697	(50,479)	-	424,213
Total Centinel Bank		<u>5,971,331</u>	<u>92,628</u>	<u>(628,382)</u>	<u>-</u>	<u>5,435,577</u>
US Bank						
Payroll Clearing	Checking	<u>2,670,021</u>	<u>-</u>	<u>(1,453,678)</u>	<u>1,406,965</u>	<u>2,623,308</u>
State of New Mexico						
LGIP Fund	Investment	<u>1,749,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,749,279</u>
Total		<u>\$10,390,631</u>	<u>\$ 92,628</u>	<u>\$(2,082,060)</u>	<u>\$ 1,406,965</u>	<u>\$ 9,808,164</u>
Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit A-1						9,383,952
Fiduciary funds - Exhibit D-1						424,212
						<u>\$ 9,808,164</u>
Component Unit - Anansi Charter School						
Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
US Bank						
Operating Account	Checking	<u>\$ 118,117</u>	<u>\$ -</u>	<u>\$ (47,773)</u>	<u>\$ 23,207</u>	<u>\$ 93,551</u>
Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit F-1						<u>\$ 93,551</u>
Component Unit - Taos Charter School						
Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
US Bank						
Operational Account	Checking	<u>\$ 192,309</u>	<u>\$ -</u>	<u>\$ (64,388)</u>	<u>\$ 24,614</u>	<u>\$ 152,535</u>
Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit G-1						<u>\$ 152,535</u>
Component Unit - Vista Grande High School						
Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Centinel Bank						
Operational Activity Fund	Checking	\$ 370,330	\$ -	\$ (47,409)	\$ -	\$ 322,921
	Checking	2,612	-	-	-	2,612
Total Centinel Bank		<u>\$ 372,942</u>	<u>\$ -</u>	<u>\$ (47,409)</u>	<u>\$ -</u>	<u>\$ 325,533</u>
Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit H-1						\$ 322,921
Fiduciary funds - Statement H-19						2,612
						<u>\$ 325,533</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 1 of 8)

Primary Government

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2014	\$ 1,916,037	\$ 48,933	\$ 145,291	\$ (268,636)
Add:				
Current year revenues	20,476,563	966,226	170,580	1,621,474
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	-	-	-	173,581
Total cash available	22,392,600	1,015,159	315,871	1,526,419
Less:				
Current year expenditures	(19,000,482)	(966,743)	(83,901)	(1,526,419)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(2,075,621)	-	-	-
Cash, June 30, 2015	<u>\$ 1,316,497</u>	<u>\$ 48,416</u>	<u>\$ 231,970</u>	<u>\$ -</u>

Component Unit
Anansi Charter School

Cash, June 30, 2014	\$ 119,134	\$ -	\$ 4,218	\$ -
Add:				
Current year revenues	1,343,236	-	10,100	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	1,462,370	-	14,318	-
Less:				
Current year expenditures	(1,253,091)	-	(7,050)	-
Permanent cash transfers	(523)	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(134,061)	-	-	-
Cash, June 30, 2015	<u>\$ 74,695</u>	<u>\$ -</u>	<u>\$ 7,268</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 2 of 8)

Component Unit
Taos Charter School

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2014	\$ 212,539	\$ -	\$ 20,589	\$ -
Add:				
Current year revenues	1,590,955	-	15,154	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	1,803,494	-	35,743	-
Less:				
Current year expenditures	(1,549,138)	-	(9,926)	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(130,694)	-	-	-
Cash, June 30, 2015	<u>\$ 123,662</u>	<u>\$ -</u>	<u>\$ 25,817</u>	<u>\$ -</u>

Component Unit
Vista Grande High School

Cash, June 30, 2014	\$ 483,036	\$ -	\$ 6,511	\$ -
Add:				
Current year revenues	988,951	-	5,976	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	1,471,987	-	12,487	-
Less:				
Current year expenditures	(1,073,472)	-	(4,355)	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(85,603)	-	-	-
Cash, June 30, 2015	<u>\$ 312,912</u>	<u>\$ -</u>	<u>\$ 8,132</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 3 of 8)

Primary Government

	Athletics Account 22000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2014	\$ 5,371	\$ (1,253,761)	\$ 255,401	\$ 48,719	\$ (213,415)
Add:					
Current year revenues	69,066	2,354,617	317,506	-	781,001
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	1,619,305	12,786	-	198,042
Total cash available	74,437	2,720,161	585,693	48,719	765,628
Less:					
Current year expenditures	(71,811)	(2,686,157)	(378,598)	-	(683,719)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ 2,626</u>	<u>\$ 34,004</u>	<u>\$ 207,095</u>	<u>\$ 48,719</u>	<u>\$ 81,909</u>

Component Unit
Anansi Charter School

Cash, June 30, 2014	\$ -	\$ (22,923)	\$ 191	\$ -	\$ (52,879)
Add:					
Current year revenues	-	33,382	-	-	102,356
Permanent cash transfers	-	-	-	-	523
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	24,526	-	-	14,908
Total cash available	-	34,985	191	-	64,908
Less:					
Current year expenditures	-	(34,985)	-	-	(64,908)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 4 of 8)

Component Unit
Taos Charter School

	Athletics Account 22000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2014	\$ -	\$ (61,615)	\$ 56	\$ -	\$ (51,605)
Add:					
Current year revenues	-	105,043	-	-	101,605
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	24,712	-	-	853
Total cash available	-	68,140	56	-	50,853
Less:					
Current year expenditures	-	(68,140)	-	-	(50,853)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ -</u>

Component Unit
Vista Grande High School

Cash, June 30, 2014	\$ -	\$ (623)	\$ -	\$ -	\$ (188)
Add:					
Current year revenues	-	-	-	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	623	-	-	2,021
Total cash available	-	-	-	-	1,833
Less:					
Current year expenditures	-	-	-	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,833</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 5 of 8)

Primary Government

	State Direct 28000	Local / State 29000	Bond Building 31100	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300
Cash, June 30, 2014	\$ 66,752	\$ (21,015)	\$ 7,237,214	\$ -	\$ 1
Add:					
Current year revenues	22,514	7,832	2,115	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	45,790	26,117	-	-	-
Total cash available	135,056	12,934	7,239,329	-	1
Less:					
Current year expenditures	(31,814)	(7,805)	(6,279,572)	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ 103,242</u>	<u>\$ 5,129</u>	<u>\$ 959,757</u>	<u>\$ -</u>	<u>\$ 1</u>

Component Unit
Anansi Charter School

Cash, June 30, 2014	\$ -	\$ -	\$ -	\$ (21,089)	\$ -
Add:					
Current year revenues	-	5,000	150,285	85,464	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	73,168	21,459	-
Total cash available	-	5,000	223,453	85,834	-
Less:					
Current year expenditures	-	-	(223,453)	(85,834)	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
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Component Unit
Taos Charter School

	State Direct 28000	Local / State 29000	Bond Building Account 31100	Bond Building Account 31200	Bond Building Account 31300
Cash, June 30, 2014	\$ -	\$ -	\$ (42,921)	\$ (71,050)	\$ -
Add:					
Current year revenues	-	3,000	430,637	213,150	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	-	-
Total cash available	-	3,000	387,716	142,100	-
Less:					
Current year expenditures	-	-	(387,716)	(142,100)	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Component Unit
Vista Grande High School

Cash, June 30, 2014	\$ -	\$ 44	\$ (26,155)	\$ (48,151)	\$ -
Add:					
Current year revenues	-	-	234,595	45,814	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	15,532	56,723	-
Total cash available	-	44	223,972	54,386	-
Less:					
Current year expenditures	-	-	(223,972)	(54,386)	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 7 of 8)

Primary Government	Cap. Improv. SB 9 31700	Educational Tech Equip 31900	Debt Service Fund 41000	Education Tech Debt Service Fund 43000	Total
Cash, June 30, 2014	\$ 1,434,021	\$ 1,027,767	\$ 2,800,970	\$ 760,524	\$ 13,990,174
Add:					
Current year revenues	2,347,949	443	2,771,719	694,028	32,603,633
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	-	2,075,621
Total cash available	3,781,970	1,028,210	5,572,689	1,454,552	48,669,428
Less:					
Current year expenditures	(1,584,444)	(440,788)	(2,776,044)	(691,558)	(37,209,855)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	(2,075,621)
Cash, June 30, 2015	<u>\$ 2,197,526</u>	<u>\$ 587,422</u>	<u>\$ 2,796,645</u>	<u>\$ 762,994</u>	<u>\$ 9,383,952</u>
Component Unit					
Anansi Charter School					
Cash, June 30, 2014	\$ 39,262	\$ -	\$ -	\$ -	\$ 65,914
Add:					
Current year revenues	30,243	-	-	-	1,760,066
Permanent cash transfers	-	-	-	-	523
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	-	134,061
Total cash available	69,505	-	-	-	1,960,564
Less:					
Current year expenditures	(63,108)	-	-	-	(1,732,429)
Permanent cash transfers	-	-	-	-	(523)
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	(134,061)
Cash, June 30, 2015	<u>\$ 6,397</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,551</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 8 of 8)

Component Unit
Taos Charter School

	Cap. Improv. SB 9 31700	Educational Tech Equip 31900	Debt Service Fund 41000	Education Tech Debt Service Fund 43000	Total
Cash, June 30, 2014	\$ 39,934	\$ -	\$ -	\$ -	\$ 45,927
Add:					
Current year revenues	56,275	-	-	-	2,515,819
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	105,129	-	-	-	130,694
Total cash available	201,338	-	-	-	2,692,440
Less:					
Current year expenditures	(201,338)	-	-	-	(2,409,211)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	(130,694)
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 152,535</u>

Component Unit
Vista Grande High School

Cash, June 30, 2014	\$ (3,999)	\$ -	\$ -	\$ -	\$ 410,475
Add:					
Current year revenues	-	-	-	-	1,275,336
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	10,704	-	-	-	85,603
Total cash available	6,705	-	-	-	1,771,414
Less:					
Current year expenditures	(6,705)	-	-	-	(1,362,890)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	(85,603)
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 322,921</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF JOINT POWERS AGREEMENTS
JUNE 30, 2015

Schedule V

Title: Joint use and development of 23.8+- acre Salazar property and sports facilities

Participants: Town of Taos and Taos Municipal School District

Responsible Party: Town of Taos and Taos Municipal School District

Description: The Town of Taos agreed to construct athletic facilities on land owned by Taos Municipal School District and to maintain the property. The facilities will be made available to the District at no cost other than maintaining insurance on the property. The facilities shall be made available for public use. Scheduling and charges for use of others will be agreed to by the Town and the District. The District shall own the land, and the Town shall own the improvements.

Dates of Operation: Agreement entered into in September 2009 with a term of 40 years with the option for an additional 40 year renewal.

Projected Cost: Cost of liability insurance coverage in the amount of \$1,000,000.

Audit Responsibility: Town of Taos and Taos Municipal School District

Fiscal Agent: Town of Taos for the facilities

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF VENDOR INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI
(Page 1 of 3)

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
2014-02	Taos Sanitary Supply, LLC	203 Bertha St., Taos, nm 87571	X	X			
Value of Contract:	\$ 107,000.00						
Scope of Work:	Janitorial/Maintenance & Equipment Supplies						
6-26.14-01	American Fence Company NM, Inc.	9634 2nd Street NW Albuquerque, NM 87114	X	X		X	
Value of Contract:	\$ 173,700.00						
Scope of Work:	Janitorial/Maintenance & Equipment Supplies						
14.054	La Tierra Landscaping	5162 Salazar Rd. Taos, NM 87571	X	X			
	Raindance Landscaping	1602 Millicent Rogers Rd El Prado, NM 87529		X			
Value of Contract:	\$ 175,000.00						
Scope of Work:	Maintenance of District Outdoor Grounds/Facilities						
03.05.15-01	Anissa Construction	1232 Western Meadows Rd NW Albuquerque, NM 87114	X	X		X	
	Diamond Finish Inc.	1299B Paseo del Pueblo Norte El Prado, NM 87529		X		X	
	Blue Sky Builders	18635 US Hwy 84/285 Espanola, NM		X		X	
	Chuby's Construction	359 Hondo Seco Rd, Taos, NM		X			
Value of Contract:	\$ 106,000.00						
Scope of Work:	THS CONCESSION NEW BUILDING 504GSF						
1.29.2014	JD and K Construction, LLC	1911 Cottrell Ln SW Albuquerque, NM 87105	X	X			
	IT Connect	3900 Paseo Del Sol Santa Fe, NM 87507		X			
	Presidio Network Solutions	1720 Louisana NE Suite 301 Albuquerque, NM 87110		X			
	Aquila	8401 Washington Place NE Albuquerque, NM 87113		X		X	
	CDW	230 N. Milwaukee Ave. Vernon Hills, IL 60061			X		
	Nexus Solutions	1115 Paseo del Pueblo Norte El Prado, NM					
Value of Contract:	\$ 78,600.00						
Scope of Work:	Network Electronics, Network Wiring District Wide						

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF VENDOR INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI
 (Page 2 of 3)

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
PHYSICAL THERAPIST	SUSAN CONSOLLOY	PO BOX 577 ARROYO HONDO NM 87513	X	X			
	ARDOR	5830 CORAL RIDGE DRIVE SUITE 120 CORAL SPRINGS, FL 33076			X		
	EASI	9921 Mesa Arriba, Albuquerque, NM		X			
	MY THERAPY	207 W. CANON BLVD STE 202 BOULDER CO 80302			X		
	KORI MANNON	PO BOX 307 TAOS SKI VALLEY NM 87525		X			
Value of Contract:	\$ 127,000.00						
Scope of Work:	TO PROVIDE PHYSICAL THERAPY TO STUDENTS						
SPEECH THERAPIST	ARDOR	5830 CORAL RIDGE DRIVE SUITE 120 CORAL SPRINGS, FL 33076			X		
	MY THERAPY	207 W. CANON BLVD STE 202 BOULDER CO 80302			X		
	EASI	9921 Mesa Arriba, Albuquerque, NM		X			
	IT CONNECT	3900 Paseo Del Sol, Santa Fe NM		X			
	MARGEUX HURTADO	PO BOX 513 EL PRADO NM 87529	X	X			
	Gloria Macias-De France	7121 Highridge Dr. El Paso, TX			X		
Value of Contract:	\$ 109,000.00						
Scope of Work:	TO PROVIDE PHYSICAL THERAPY TO STUDENTS						
OCCUPATIONAL THERAP	ARDOR	5830 CORAL RIDGE DRIVE SUITE 120 CORAL SPRINGS, FL 33076			X		
	EASI	PO BOX 3338 ALBUQ NM 87190		X			
	MY THERAPY	207 W. CANON BLVD STE 202 BOULDER CO 80302			X		
	SUZANNE POIRIER	PO BOX 2848 RANCHOS DE TAOS NM 87557	X	X			
	ELIZABETH ROTH	1019 DEL NORTE LN TAOS NM 87571	X	X			
	ROBERTA HUNT	PO BOX 2151 RANCHOS DE TAOS NM 87557	X	X			
Value of Contract:	\$ 87,000.00						
Scope of Work:	OCCUPATIONAL THERAPY TO STUDENTS						
EDUCATIONAL DIAG	ALYSSA MARTINEZ	PO BOX 695 ARROYO SECO NM 87514	X	X			
	EASI	PO BOX 3338 ALBUQ NM 87190		X			
	LSG	600 CAMINO ESPANOL NW ALBUQ NM 87107	X	X			
	TONY FROESCHLE	PO BOX 1276 EL PRADO NM 87529	X	X			
	KIM ANDERSON	42 EAST VIA PLAZA NUEVE SANTA FE NM 87507		X			
	IT CONNECT	3900 Paseo Del Sol, Santa Fe NM			X		
Value of Contract:	\$ 163,000.00						
Scope of Work:	EDUCATIONAL DIAGNOSTIC EVALUATIONS						

STATE OF NEW MEXICO
 TAOS MUNICIPAL SCHOOL DISTRICT
 SCHEDULE OF VENDOR INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI
 (Page 3 of 3)

Component Unit - Anansi Charter School

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
2014-001	Anissa Construction	1232 Western Meadows Rd NW, Alb., NM	X	X		X	
	Weil Construction, Inc.	3344 Princeton Dr. NE, Alb., NM		X		X	
	Longhorn Construction Services	9208 Lona Lane NE, Alb., NM		X			X
	Unified Contractor	7704 Callow St. NE, Alb., NM		X		X	
	RVC, Inc	18537 US84 Suite D, Espanola, NM		X			
Value of Contract:	\$	1,125,000.00					
Scope of Work:	Construction of new building						

Component Unit - Taos Charter School

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
	No bids						
Value of Contract:							
Scope of Work:	0						

Component Unit - Vista Grande High School

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
10-29-2014-01	Paul's Building & Construction, Inc.	55 Picuris Rd., Vadito, NM 87579	X	X		X	
	Phoenix Mechanical, LLC	1217 Gusdorf Rd., Taos, NM 87571		X		X	
Value of Contract:	\$	103,000.00					
Scope of Work:	Move portable building						

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2015

Schedule VII

Primary Government:	<u>2015</u>
Taos Municipal School District' proportion of the net pension liability	0.51109%
Taos Municipal School District' proportionate share of the net pension liability	\$29,161,411
Taos Municipal School District' covered-employee payroll	\$14,087,453
Taos Municipal School District' proportionate share of the net pension liability as a percentage of covered-employee payroll	207.00%
Plan fiduciary net position as a percentage of total pension liability	66.54%
 Component Unit - Anansi Charter School:	 <u>2015</u>
Anansi Charter School's proportion of the net pension liability	0.02245%
Anansi Charter School's proportionate share of the net pension liability	\$ 1,280,929
Anansi Charter School's covered-employee payroll	\$ 618,784
Anansi Charter School's proportionate share of the net pension liability as a percentage of covered-employee payroll	207.01%
Plan fiduciary net position as a percentage of total pension liability	66.54%
 Component Unit - Taos Charter School:	 <u>2015</u>
Taos Charter School's proportion of the net pension liability	0.03034%
Taos Charter School's proportionate share of the net pension liability	\$ 1,731,110
Taos Charter School's covered-employee payroll	\$ 861,285
Taos Charter School's proportionate share of the net pension liability as a percentage of covered-employee payroll	200.99%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2015

Schedule VII

Component Unit - Vista Grande High School:	<u>2015</u>
Vista Grande High School's proportion of the net pension liability	0.01738%
Vista Grande High School's proportionate share of the net pension liability	\$ 991,648
Vista Grande High School's covered-employee payroll	\$ 479,125
Vista Grande High School's proportionate share of the net pension liability as a percentage of covered-employee payroll	206.97%
Plan fiduciary net position as a percentage of total pension liability	66.54%

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

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2015

Schedule VIII

Primary Government:	<u>2015</u>
Contractually required contribution	\$ 1,899,093
Contributions in relation to the contractually required contribution	1,899,093
Contribution deficiency (excess)	<u>\$ -</u>
Taos Municipal School District' covered-employee payroll	\$ 14,087,453
Contributions as a percentage of covered-employee payroll	13.48%
Component Unit - Anansi Charter School	<u>2015</u>
Contractually required contribution	\$ 100,944
Contributions in relation to the contractually required contribution	100,944
Contribution deficiency (excess)	<u>\$ -</u>
Anansi Charter School's covered-employee payroll	\$ 618,784
Contributions as a percentage of covered-employee payroll	16.31%
Component Unit - Taos Charter School	<u>2015</u>
Contractually required contribution	\$ 121,548
Contributions in relation to the contractually required contribution	121,548
Contribution deficiency (excess)	<u>\$ -</u>
Taos Charter School's covered-employee payroll	\$ 861,285
Contributions as a percentage of covered-employee payroll	14.11%
Component Unit - Vista Grande High Charter School	<u>2015</u>
Contractually required contribution	\$ 83,419
Contributions in relation to the contractually required contribution	83,419
Contribution deficiency (excess)	<u>\$ -</u>
Vista Grande High Charter School's covered-employee payroll	\$ 479,125
Contributions as a percentage of covered-employee payroll	17.41%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the Zuni Public Schools will present information for those years for which information is available.

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
JUNE 30, 2015

Schedule IX

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

Changes of assumptions.

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

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

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

See also the **Actuarial Assumptions** subsection of the financial statement not disclosure **General Information on the Pension Plan - Educational Retirement Board .**

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COMPLIANCE SECTION



**Manning Accounting and Consulting
Services, LLC**

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

Independent Auditor's Report

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Taos Municipal School District
Taos, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund of the Taos Municipal School District (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated November 09, 2015.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weakness. (FS 2010-009)

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 to be significant deficiencies. (FS 2010-021, FS 2014-001, FS 2014-004, FS 2014-005, FS 2014-006, FS 2014-007, FS 2014-009, FS 2014-012, FS 2014-015, FS 2015-002, FS 2014-020, FS 2014-022, FS 2015-002 ACS, FS 2014-029, FS 2014-033, FS 2015-001 FTCS, FS 2015-002 FTCS, FS 2015-003 FTCS, FS 2013-005, FS 2014-042, FS 2014-045, and FS 2014-050)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 2014-003, FS 2014-008, FS 2014-014, FS 2015-001, FS 2014-017, FS 2014-018, FS 2014-021, FS 2014-023, FS 2015-001 ACS, FS 2014-030, FS 2014-031, FS 2014-032, FS 2014-034, FS 2014-036, FS 2012-001, FS 2014-046, FS 2015-001 TCS, FS 2015-001 VGHS.

Taos Municipal School District's Response to Findings

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

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 09, 2015

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FEDERAL FINANCIAL ASSISTANCE



Manning Accounting and Consulting Services, LLC

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

Independent Auditor's Report

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Taos Municipal School District
Taos, New Mexico

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item FA 2014-001, FA 2014-002, FA 2014-003, FA 2015-001, and FA 2015-002. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

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

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

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

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

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 09, 2015

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule X
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Public Education Department</i>			
Special Education Cluster (IDEA)			
IDEA B - Entitlement (1)	24106	84.027	\$ 810,068
IDEA-B Competitive	24108	84.027	5,574
IDEA-B "Risk Pool"	24120	84.027	600
IDEA-B Results Plan	24132	84.027	371,859
IDEA-B Preschool (1)	24109	84.173	16,882
Total Special Education Cluster (IDEA)			<u>1,204,983</u>
Other Programs (Treated individually for major program determination)			
Title I IASA (1)	24101	84.010	1,076,765
Title I School Improvement	24162	84.010	3,999
<i>Subtotal - Federal CFDA Number 84.010</i>			<u>1,080,764</u>
Carl D. Perkins Secondary - Current	24174	84048	24,094
English Language Acquisition	24153	84.365	34,398
Teacher / Principal Training & Recruiting	24154	84.367	208,902
Rural & Low Income Schools	24160	84.358	39,836
Total Other Programs			<u>1,387,994</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>2,592,977</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid Cluster			
Impact Aid (1)	11000	84.041	24,856
Impact Aid - Special Education (1)	25145	84.041	39,674
Impact Aid - Indian Education (1)	25147	84.041	6,119
Total Impact Aid Cluster			70,649
Other Programs (Treated individually for major program determination)			
Indian Education Formula Grant	25184	84.060	42,313
<i>Subtotal - Direct U.S. Department of Education</i>			<u>112,962</u>
Total U.S. Department of Education			<u>2,705,939</u>
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Other Programs (Treated individually for major program determination)			
Forest Reserve	11000	10.672	192,950
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>192,950</u>
<i>Passthrough State of New Mexico Public Education Department</i>			
Other Programs (Treated individually for major program determination)			
Fresh Fruit and Vegetables	24118	10.582	43,965
Child Nutrition Cluster			
USDA School Breakfast Program	21000	10.553	621,008
National School Lunch Program	21000	10.555	912,094
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.553/10.555	98,099
Total Child Nutrition Cluster			<u>1,631,201</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>1,577,067</u>
<i>Subtotal - Passthrough State of Department of Health and Human Services</i>			<u>98,099</u>
Total U.S. Department of Agriculture			<u>1,868,116</u>
Total Federal Financial Assistance			<u>\$ 4,574,055</u>

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

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule X
(Page 2 of 2)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

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

2. Subrecipients

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

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2015 was \$98,099 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA numbers 10.553 and 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 4,574,055
Total expenditures funded by other sources	<u>32,805,037</u>
Total expenditures	<u><u>\$ 37,379,092</u></u>

(1) Denotes Major Federal Financial Assistance Program

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Section I – Summary of Audit Results

Financial Statements:

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

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditors' report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
84.010	Title I IASA Cluster
84.027 and 84.173	Special Education Cluster (IDEA)
10.553/10.555	Child Nutrition Cluster

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings

FS 2010-009 [10-09] – Improper Recording and Maintenance of Fixed Assets (Material Weakness) Repeated and Revised

Criteria: Per 2.20.2.8 NMAC 1978:

- A. Agencies should implement systematic and well-documented methods for accounting for their fixed assets. A computerized system is recommended, with appropriate controls on access and authorization of transactions.
- B. The information to be recorded and maintained on its fixed assets, must include at a minimum the following:
- (1) agency name or commonly used initials used to identify the agency;
 - (2) fixed asset number or fixed asset number plus component number;
 - (3) a description using words meaningful for identification;
 - (4) location, specifically a building and room number. If the asset is movable, the name and location of the fixed asset coordinator should be used;
 - (5) manufacturer name (NOT the vendor's name, unless vendor is the manufacturer);
 - (6) model number or model name;
 - (7) serial number, or vehicle identification number (VIN) for vehicles in agency's use & possession. If the fixed asset has no serial number, e.g., a custom-built asset, absence should be acknowledged by coding this as "none";
 - (8) estimated useful life or units expected to be produced;
 - (9) date acquired (month and year);
 - (10) cost (according to the valuation methods described in section 10 [now 2.20.1.10 NMAC];
 - (11) fund and organization that purchased the asset, or to which it was transferred.
- C. The system must be capable of generating lists of fixed assets in sequences useful for managing them. It must track all transactions including acquisitions, depreciation (if needed), betterments and dispositions. It must generate all necessary accounting entries to the agency's general ledger.

2.20.1.09 NMAC 1978:

- A. The type of service that the asset was purchased for must be used to classify fixed assets. The object code under which it was purchased is usually a reliable indicator of the service for which it was purchased.
- B. Object codes from the category for capital outlay may be used. Purchases from other categories may also be capitalized if appropriate. For example, certain types of repairs or maintenance may increase the useful life of the asset. These costs should be added to the cost of the asset.
- C. The recommended classifications and definitions are:
- (1) "Land": Only real property is included in this category. Costs to be included that are not specifically stated in Section 10.2 [Subsection B of Section 2.20.1.10 NMAC] include fees for appraisals, title searches, attorney's fees, demolition of structures (less any salvage) as part of site preparation, and agent's commissions.
 - (2) "Land Improvements": Improvements subsequent to the acquisition of land are in this category. Such assets have a limited economic life. Examples are roadways, landscaping, utility infrastructure, and fencing. This category may also be used to record leasehold improvements. Leasehold improvements should be capitalized to recognize the allocation of the cost of the improvements for the duration of their useful lives.
 - (3) "Buildings and Structures": This category shall be used for all buildings and structures that are permanently fixed to land.
 - (4) "Furniture and Fixtures": These are assets that are not permanently fixed to land, but are the contents of a building.
 - (5) "Information Technology Equipment" (including software): This category of equipment includes computers and peripherals, and all equipment related to electronic communications.
 - (6) "Equipment and Machinery": Equipment that is related to industrial production, construction, land or grounds maintenance, food service, public safety should be recorded in this category.
 - (7) "Farm Equipment": All equipment related to agricultural or ranch production should be recorded in this category.
 - (8) "Livestock and Poultry": This category is only used for farm or ranch animals that are not purchased for immediate consumption or production of food.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-009 [10-09] – Improper Recording and Maintenance of Fixed Assets (Material Weakness) Repeated and Revised (continued)

(9) "Library and Museum Acquisitions": Assets in this category only include holdings of libraries or museum collections. A publication that is available in a library but that is acquired by an agency for its private use would be appropriately categorized as furniture and fixtures. Similarly, a farm museum would use this classification for tractors and ploughs, even if they are used for their intended purpose.

(10) "Motor Vehicles and Aircraft": This category is for all such vehicles that the agency owns. Vehicles and aircraft acquired under the terms of an operating lease should not be recorded as fixed assets.

D. Agencies may use these fixed asset classifications for the purpose of pooling assets for depreciation, for publication in financial statements, or other management objectives.

2.20.1.12 NMAC 1978:

A. Depreciation is a set of methods for allocating the cost of an asset over its economic life. Assets owned by proprietary funds and nonexpendable trust funds are required to be depreciated. Assets held in the general fixed assets account group may, at the option of the fund's managers, be depreciated.

B. Depreciation normally should not be recorded until the asset is ready for use.

C. Depreciation reduces the net book value of an asset as its economic usefulness is consumed. Depreciation expense should normally be closed to fund balance at year-end.

D. The offset to the depreciation account is accumulated depreciation. This is a contra-account to assets, whose net value is historical cost less accumulated depreciation.

2.20.1.16 NMAC 1978, Annual Inventory:

A. At the end of the fiscal year, each agency shall conduct a physical inventory of its fixed assets consisting of those with a historical cost of one thousand dollars (\$1,000) or more, under the control of the governing authority.

B. This inventory shall include all property procured through the capital projects fund which are assigned to the agency designated by the director of the property control division as the user agency.

C. All passenger vehicles must be included in the inventory process. This includes all vehicles leased from the transportation services division of the general services department as required by the "Auditor's Rule" 2 NMAC 2.2.11.1.L [now Paragraph (8) or Subsection A of 2.2.2.12 NMAC].

D. The inventory process shall produce a list of the property and the date and cost of acquisition. The annual physical inventory checks against losses not previously revealed and brings to light errors in records of accountability, but more importantly, a systematic physical inventory of fixed assets provides an opportunity for surveying their physical condition, with respect to their need for repairs, maintenance or replacement.

E. The results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency. In the process of conducting their fieldwork, the state auditor or independent public accountant under a contract approved by the state auditor may test the correctness of the inventory by generally accepted auditing procedures (Laws 1999, Chapter 230).

Condition: During our review of fixed assets, we identified the following issues:

- The District does not currently have a fixed asset management system which enables it to provide fixed asset detail or depreciation detail by asset.
- The fixed asset detail maintained by the district does not include all assets included on the financial statements.
 - Land per financial statements - \$3,528,625; Land per detail records - \$69,515
 - Land Improvements per financial statements - \$4,783,177; Land Improvements per detail - \$2,880,010.
 - Buildings and Building Improvements per financial statements - \$71,877,167; Buildings and Building Improvements per detail \$43,391,180.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-009 [10-09] – Improper Recording and Maintenance of Fixed Assets (Material Weakness) Repeated and Revised (continued)

- Furniture, Fixtures, and Equipment per financial statements - \$3,802,478; Furniture, Fixtures, and Equipment per detail - \$3,533,862. Detail includes no additions between June 2008 and June 2013.
- The District could not provide audit reports since the inception of GASB 34 to identify what assets had been added by category during each year which would have allowed the District to at least identify total asset additions by year, by category. From this information the District could estimate depreciation lives and annual depreciation for each year by asset category.
- The District did not take an annual inventory of its assets and submit this to the board for certification.

However, the District does have a summary detail which breaks down 80% of the total fixed assets on the financial statements by funds which provided the sources of the assets. Only 20% of the total fixed assets are not identified to the fund which provided those assets which indicates that the District has had this detail in the past but cannot provide it at this time.

In the previous year, we identified the following issues:

- The same issues as noted above regarding detail records.
- The District did not take an annual inventory of its assets and submit this to the board for certification.
- The District misclassified assets such as purchasing a new parcel of land and classifying it as a land improvement.
- The District was including the cost related to moving of furniture and classroom supplies from one building to another in its calculation of fixed asset additions.

Cause: The District has not made use of its fixed asset inventory system in Visions and has instead kept it in an Excel spreadsheet. These records do not allow for proper categorization of assets and proper calculation of depreciation for each of these assets. The District has had turnover in its finance office which has led to records being misplaced or lost which would provide greater support for its fixed asset detail. With these records maintained on spreadsheets, turnover in staff leads to loss of critical records.

Effect: The District is currently unable to properly identify, categorize, and record current additions/deletions effectively and properly maintain fixed asset records, including detail depreciation records.

Auditors' Recommendations: We recommend that the District utilize its Visions software to maintain detail of its fixed assets. The information should be input into the financial system and then maintained throughout the year so that all additions, deletions, and modifications to fixed assets are properly recorded. By getting this detail into the financial system the District is not as susceptible to the loss of records simply due to turnover in staffing. We also recommend that the District provide a fixed asset detail to the Board annually for their certification as required by state statute.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-009 [10-09] – Improper Recording and Maintenance of Fixed Assets (Material Weakness) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will begin investigating acceptable methods of reconstructing a listing of General Fixed Assets in order to have a more complete schedule of depreciable assets in the District. Once a decision has been made on how to approach a solution to what is a multiple year accumulation of deficiencies in recording fixed assets, and an acceptable listing with values is created, then the District will move to including such list in the accounting software. In the meantime, current fixed asset purchases will be accounted for and included in running excel spreadsheets for current and future reporting.

- Timeline for completion of corrective action plan: Recording and maintaining a current list of General Fixed Assets has begun since July 2015. Action to develop a complete listing of fixed assets across the District will depend upon cost and time involved. Our goal would be to move in that direction during the 2015-2016 fiscal year.

- Employee position(s) responsible for meeting the timeline: Director of Finance, Director of Facilities

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-021 [10-21] – Segregation of Duties (Significant Deficiency) Repeated and Revised (continued)

Criteria: 6.20.2.11 NMAC 1978:

A. 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, 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, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

B. Each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

(1) School district management must ensure that protection of the public trust is a major focus when granting the authorization to execute business of the school district.

(2) Employees handling significant amounts of cash must be adequately bonded. Access to assets is permitted only in accordance with school district authorization.

(3) Receipts, checks or warrants, purchase orders, and vouchers shall be sequentially pre-numbered.

(4) School districts shall have proper safeguards to protect unused checks and other pre-numbered forms, undeposited cash and other receipts, and facsimile signature plates.

(5) Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, school districts shall establish any other criteria applicable to such statements to maintain accountability for assets.

(6) School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

C. An internal control structure is required to demonstrate the school district's ability to record, process, summarize and report financial data consistent with the following financial statement assertions:

(1) rights and ownership;

(2) existence and occurrence;

(3) valuation and allocations;

(4) completeness; and,

(5) presentation and disclosure.

D. The internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through school district correspondence, manuals, training, and other additional methods. **Appropriate internal control procedures shall be adopted by the local board within a school district to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all school district transactions.**

Condition: During our review of payroll we noted the following deficiencies:

- The payroll clerk has the authority to input employee information into the financial system, and the same individual has the ability to issue payroll checks, direct deposits, miscellaneous pay, etc. Payroll information was not reviewed by an additional individual to insure that all payments are proper or to validate all employees and that all payments are for valid obligations of the district.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-021 [10-21] – Segregation of Duties (Significant Deficiency) Repeated and Revised (continued)

During the previous year the same lack of segregation of duties existed.

Cause: There is not a proper segregation of duties between the human resources department, which doesn't use the Visions financial system, and the payroll department. The Visions financial system can provide an integrated human resource program which would allow for proper segregation of duties.

Effect: The payroll department has the ability to input new employee information and create payroll checks without oversight or involvement of the human resources department. This could lead to an incidence of fraud as there is no internal control to prevent the creation of a non-existent employee, the modification of employee pay, or the inclusion of additional pay to an existing employee.

Auditors' Recommendation: We recommend that the District ensure that the ability to input a new employee into the payroll system, change information of an employee in the payroll system, or enter additional pay to an existing employee be divided between the two departments or between two individuals so that no one individual has unchecked ability to create new employees, modify existing employees, or pay employees without further review. The district has begun to segregate the duties between two members of the finance department where one individual doesn't have complete control over the payroll process. However, this transition has not yet been completed to allow for proper segregation of those duties.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District plans to implement a process where contract information for employees is reviewed and checked by a person other than the person that initially enters the information. Also, payroll journals will be reviewed by someone in the Finance Department other than the payroll specialist to compare employee pay against previous pay period(s). Comparisons are already being done for reasonableness.

- Timeline for completion of corrective action plan: October 2015 through June 2016

- Employee position(s) responsible for meeting the timeline: Finance Director and Human Resource Director

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-001 - Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services, or construction.”

Additionally, 13-1-158 NMSA 1978 states:

“No warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction or items of tangible personal property unless the central purchasing office or the using agency certifies that the services, construction or items of tangible personal property have been received and meet specifications or unless prepayment is permitted under [Section 13-1-98](#) NMSA 1978 by exclusion of the purchase from the Procurement Code [[13-1-28](#) NMSA 1978].”

Condition: During our testing of cash disbursements we noted the following deficiencies:

- In 7 of 40 items tested there was no invoice attached to the purchase order, six of these items were for the same bus lease. The value of these purchases ranged from \$139.71 to \$2,093.65.
- In 7 of 40 items tested the purchase order was created after services were rendered. The value of these purchases ranged from \$72.00 to \$3,682.00
- In 2 of 40 items tested there was no receiving documentation to show that goods or services were received. The values of the purchases were \$175.00 and \$575.00, respectively.

In the prior year’s audit there were 4 instances in which there was not a purchase order in place prior to the purchase of goods and services – the amounts ranged from \$60,585 to \$115,550; in one of these instances the invoice amount and check amount did not agree by approximately \$1,300. There was 1 instance in which there was no receiving documentation for a purchase of \$171,234.

During our review of significant items we noted an instance in which proper procedures were not followed:

- In 1 of 54 items tested the purchase price exceeded the established purchase order amount. The purchase order was for \$58,450.26 and the amount spent was \$63,235.88.

During our review of activity disbursements we noted the following deficiencies:

- In 4 of 25 items tested the purchase order was created after the purchase was made. The value of these purchases ranged from \$44.00 to \$1,290.00.

In the prior year’s audit there were 11 instances in which there was not a purchase order in place prior to the purchase of goods and services – the amounts ranged from \$558 to \$523,846.

During our review of credit cards we noted we noted the following deficiencies:

- In 6 of the 6 months tested there were missing receipts for fuel purchases – 179 of 546 fuel purchases in those six months did not have returned receipts. The value of these missing receipts totaled \$9,649.93. There were no lost receipt verifications to account for the missing receipts.

In the previous year’s review of credit card purchases we noted one instance in which a purchase order was created two days after the check was written – the value of the purchase was \$4,009

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-001 - Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

During our review of travel and per diem we noted the following deficiencies:

- In 7 of 15 items reviewed the purchase order was created after the travel and expense occurred.

During our review of fixed assets we noted the following deficiencies:

- There were 3 instances in which the purchase order was created after the goods or services were received. The values of these purchases were \$17,972.00, \$10,602.38, and \$2,098.95.

Cause: District personnel have not followed state guidelines or internal procedures in the payment of services. Policy clearly states that the District must have a signed purchase order in place prior to ordering goods and or services. Policies also dictate that all items should be properly received by a responsible party.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Lack of receipts doesn't allow for proper review and verification of propriety of such purchases. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to payment of goods, services, or construction. All District personnel need to be aware that a purchase order must be approved prior to the receipt of goods and services. When an employee is traveling on school business and will be receiving a reimbursement, the PO should be on file prior to employee beginning travel. Finally, all purchases with a fuel credit card or an approved purchasing card require that a receipt be returned to substantiate the purchase. This needs to be particularly emphasized with all employees who drive vehicles. In the rare instance when a receipt is lost, the employee should be required to complete a lost receipt verification form.

Responsible Official's Plan:

- Specific corrective action plan for finding: All personnel that are involved in purchasing have been reminded of, trained on or made aware that a prior authorized and approved purchase order must be in place before any valid purchase can take place. The District always has the right to deny payment for any invalid purchase and employees understand that they can be held personally responsible for such purchase. Continuous communication and training will be conducted to remind all staff of required purchasing procedures.
- Timeline for completion of corrective action plan: Currently and ongoing
- Employee position(s) responsible for meeting the timeline: Director of Finance and all Administrators and Directors

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-003 - Improper Purchase of High Grade Fuel (Non-Compliance) Repeated and Revised

Criteria: In accordance with 1.5.4.12 NMAC 1978, State of New Mexico credit cards shall be used only for official business and only to furnish state-owned vehicles with:

- A. regular gasoline;
- B. unleaded gasoline;
- C. diesel fuel;
- D. lubrication;
- E. motor oil;
- F. car wash; and
- G. emergency purchases not exceeding \$100.00 in total.

Condition: During our review of credit card purchases we noted the following instances in which proper procedures were not followed:

- In July's statement there was \$199.97 in high grade fuel purchases
- In October's statement there was \$87.73 in high grade fuel purchases
- In December's statement there was \$60.96 in high grade fuel purchases
- In February's statement there was \$88.20 in high grade fuel purchases
- In June's statement there was \$111.06 in high grade fuel purchases

In the prior year's audit there were 4 instances in which high grade fuels were purchased.

Last year's audit was not completed until February at which time this finding was provided to the District. Since that time, only one instance in June was noted in the testing.

Cause: Fuel cards are being used to purchase high grade fuels in violation of state statute.

Effect: The District is in violation of state statute and is spending funds on products which are considered excessive.

Auditor's Recommendation: We recommend that the District adhere to state law regarding the purchase of fuel with gas cards. All individuals who drive District vehicles and use the gas cards should be instructed in the law as to what is and is not proper with regards to gas cards. Relevant sections may be found at 1.5.3.19, 1.5.3.20, and 1.5.4.12 NMAC.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will continue to notify all staff using the District's gasoline cards that Premium gasoline is not allowed to be purchased under any circumstances. Additionally, the Transportation Department will monitor all gasoline tickets to ensure this regulation is met.
- Timeline for completion of corrective action plan: November 2015
- Employee position(s) responsible for meeting the timeline: Director of Transportation

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TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014–004 – Incomplete Bidding Procedures and Purchases Requiring Quotations (Significant Deficiency) Repeated and Revised

Criteria: According to 1.4.1.15 NMSA 1978, All procurement shall be achieved by competitive sealed bids except procurement achieved pursuant to the following methods:

- A. competitive sealed proposals;
- B. small purchases;
- C. sole source procurement;
- D. emergency procurement;
- E. procurement under existing contracts; and
- F. purchases from anti-poverty program businesses.

Additionally, 1.4.1.48 NMAC sets forth the guidelines for small purchases. The provisions of 1.4.1.48 through 1.4.1.52 NMAC of this rule apply to the procurement of nonprofessional services, construction or items of tangible personal property having a value not exceeding sixty thousand dollars (\$60,000) and to the procurement of professional services having a value not exceeding sixty thousand dollars (\$60,000) the use of a statewide price agreement, an existing contract or the methods of procurement set forth in 1.4.1.50 through 1.4.1.52 NMAC of this rule provide alternatives to the competitive sealed bid and competitive sealed proposal methods of procurement. If an existing statewide price agreement, an existing contract or, the procurement methods set forth in 1.4.1.50 through 1.4.1.52 NMAC of this rule are not used, the competitive sealed bid or competitive sealed proposal methods shall apply.

1.4.1.65 goes on to state, The state purchasing agent or a central purchasing office may contract for services, professional services, construction, or items of tangible personal property without the use of competitive sealed bids or competitive sealed proposals as follows:

A. at a price equal to or less than the contractor's current federal supply contract (GSA), providing the contractor has indicated in writing a willingness to extend the contract's pricing, terms and conditions to the state agency and the purchase order adequately identifies the contract relied upon; or

B. with a business which has a current price agreement with the state purchasing agent or a central purchasing office for the item, services, or construction meeting the same standards and specifications as the items to be procured, if the following conditions are met:

(1) the total quantity purchased does not exceed the quantity which may be purchased under the applicable price agreement; and

(2) the purchase order adequately identifies the price agreement relied upon;

C. other than Subsection A and B of this section and cooperative procurements as authorized by statute (and described in 13-1-135 NMSA 1978) or the state procurement card program (described in 6-5-9.1 NMSA 1978), no other procurement under existing contracts is authorized; no central purchasing office of a state agency or any other governmental entity may utilize a contract entered into by a different state agency or other governmental entity if not involved in the procurement itself (i.e., so-called "piggybacking" of contracts; the practice of "piggybacking" is not allowed under the Procurement Code); purchases under contracts developed through cooperative procurement authorized under 13-1-135 NMSA 1978 or contracts which qualify under 13-1-129 NMSA 1978 is permitted and does not constitute "piggybacking."

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014–004 – Incomplete Bidding Procedures and Purchases Requiring Quotations (Significant Deficiency)
Repeated and Revised (continued)

Finally 1.4.1.67 NMAC requires, “**A central purchasing office shall retain for public inspection and for the use of auditors a copy of each state purchasing agent contract or current price agreement relied upon to make purchases without seeking competitive bids.**”

Condition: During our testing of individually significant disbursements we noted several instances in which proper procedures were not followed:

- In 10 of 54 items tested there was no copy of the CES contract in the file. The value of these purchases ranged from \$63,943.55 to \$240,360.53.
- In 3 of 54 items tested no bid was received for purchases greater than \$60,000. The values of the purchases were \$75,656.78 and \$265,601.18 from Creative Interiors for furniture and \$63,235.88 for fencing at Taos Middle School from American Fence Company.

In the previous year there was one instance in which goods and services greater than \$60,000 were purchased without the project going out for bid. The District contracted with Wild Branch Solutions for three years of computer support at the rate of \$250,000 per year; however, the District could not provide information related to a bid or request for proposal for these services. There was one instance of payments in the amount of \$90,899.14 to Northern Mountain Constructors where the District was unable to provide us with the bid documentation related to this project. There were ten instances in which a copy of the CES contract was not in the file. The cost of these contracts ranged from \$64,371.56 to \$411,711.22.

During the current year’s audit, the bid files were complete, accurate, and properly maintained in comparison to the previous year when documents could not be provided for some of the bids. This was beneficial as the District had a significant increase in the number of bids and RFPs performed in the year under audit.

Additionally, the two purchases of furniture and the purchase of fencing occurred in October 2014, prior to completion of the prior year’s audit and presentation of findings to the District. Since the presentation of the prior year’s findings, no further instances of purchases in excess of bidding requirements were identified.

Cause: The District has not followed proper state statutes in making sure that all purchases of items in excess of \$60,000 have gone through the proper bidding process. The district has not properly documented and maintained bids as they are received and they have not assigned statutory preference as required by law. The district has also failed to maintain adequate copies of state no-bid awards.

Effect: The District is not in compliance with State Purchasing Guidelines. This opens the District up to possible incidences of fraud and possible occurrences of disputed awards which could cause additional legal and monetary consequences.

Auditor’s Recommendation: While the District has made significant improvements in properly bidding items and maintaining the required documentation of those bids and RFPs, purchases, primarily related to the construction in the District, are still being made when a bid should be obtained. Finally the District should ensure that all no-bid awards (CES contracts) have proper documentation on file for inspection. Subsequent to year end, the District has instituted the practice of obtaining CES contracts on such purchases.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-004 – Incomplete Bidding Procedures and Purchases Requiring Quotations (Significant Deficiency)
Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will require a Formal Process (RFQ, RFP, Invitation to bid, etc) or select a vendor on the CES, State Pricing Agreement or GSA contract list for purchases requiring such to insure we are in compliance with state procurement statutes.

- Timeline for completion of corrective action plan: November 2015

- Employee position(s) responsible for meeting the timeline: Director of Finance and Director of Facilities

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-005 – Improper Recording of Journal Entries (Significant Deficiency) Repeated and Revised

Criteria: According to 6-5-2C NMSA 1978, “state agencies shall implement accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.”

Good accounting procedures require that all manual journal entries should have proper supporting documentation and be reviewed by at least two individuals who should sign and date the journal entry. This should be performed in order to detect errors and to prevent improper movement of funds. This provides an internal deterrent to errors, fraud, and misappropriation of assets.

Condition: During our review of manual journal entries we noted the following deficiency:

- In 2 of 15 adjusting journal entries reviewed there was no secondary approval signature.

In last year’s audit none of the 15 journal entries had a secondary signature; additionally, there was no supporting documentation for two of the journal entries.

The missing signatures were on journal entries performed in September and December 2014, prior to the completion of last year’s audit where this was pointed out as an issue with the District. No missing signatures were identified subsequent to that time.

Cause: The District has not followed proper accounting procedures.

Effect: District personnel have not followed state guidelines or internal procedures in the recording of journal entries. Good accounting procedures require a secondary signature on adjustments to the budget to prevent instances of fraud or misappropriation.

Auditor’s Recommendation: We recommend that management record all journal entries properly and ensure that all transfers are reviewed by a second individual.

Responsible Official’s Plan:

- Specific corrective action plan for finding: All journal entries will be reviewed and signed off by at least two people which will include the Director of Finance or his/her designee and the individual entering the data into the accounting system. All adjusting journal entries will have hard copy supporting documentation attached and kept in the hard copy binder for reference.

- Timeline for completion of corrective action plan: July 2015

- Employee position(s) responsible for meeting the timeline: Director of Finance, Payroll Specialist and Assistant Business Manager

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TAOS MUNICIPAL SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-006 – Human Resource Documentation and Federal Forms (Significant Deficiency) Repeated and Revised

Criteria: NMAC 6.20.2.18 1978 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Condition: During our review of payroll we noted the following deficiencies:

- 17 out of 40 I-9's tested were either not in the file, were lacking the proper supporting documents, or were filled out improperly.
- 2 out of 40 personnel files reviewed there was no contract on file to verify employee was being paid at the proper rate.

In the previous year's audit 7 out of 40 I-9's were either missing or lacking proper supporting documents. Additionally, two of the personnel tested didn't even have a personnel file maintained by the Human Resource Department.

Cause: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

Effect: The District is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986 and the Taos Public Schools' Payroll Policy and Procedure Manual.

Auditor's Recommendation: We recommend that the District follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never post-dated. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for "knowingly" continuing to employ an unauthorized worker if the individual is not in fact authorized to work.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will follow and develop a corrective action plan to comply with the Immigration Reform and Control Act of 1986. A checklist will be developed to help employees maintain and complete each employee file.
- Timeline for completion of corrective action plan: Began in April 2015
- Employee position(s) responsible for meeting the timeline: Director of Human Resources

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014- 007 – Improper Withholding of Employee Contributions and Improper Payment of Wages (Significant Deficiency) Repeated and Revised

Criteria: According to 22-29-10 1978:

A. Group insurance contributions for school districts, charter schools and participating entities in the authority shall be made as follows:

- (1) at least seventy-five percent of the cost of the insurance of an employee whose annual salary is less than fifteen thousand dollars (\$15,000);
- (2) at least seventy percent of the cost of the insurance of an employee whose annual salary is fifteen thousand dollars (\$15,000) or more but less than twenty thousand dollars (\$20,000);
- (3) at least sixty-five percent of the cost of the insurance of an employee whose annual salary is twenty thousand dollars (\$20,000) or more but less than twenty-five thousand dollars (\$25,000); or
- (4) at least sixty percent of the cost of the insurance of an employee whose annual salary is twenty-five thousand dollars (\$25,000) or more.

B. Within available revenue, school districts, charter schools and participating entities in the authority may contribute up to eighty percent of the cost of the insurance of all employees.

Internal Revenue Service (IRS) regulations require that all payments made to employees be made through the standard payroll process so that all withholdings are made for FICA, Medicare, and Federal taxes. Additionally, this insures proper reporting on the employee's W-2 at year-end.

Condition: During our review of personnel files we noted the following deficiency:

- One employee had his pay deducted at the wrong rate. The employee received a pay raise during the year which increased his pay from the \$15,000-\$20,000 range to the \$20,000-\$25,000 range. His ERB withholding was not adjusted to reflect this change.

In the prior year's audit we noted 2 personnel files where the District was not withholding at the proper rate.

During our review of travel and per diem payments we identified that an employee who attended training for a CDL permit was paid a total of \$240 – two days at eight hours per day times \$15 per hour – through accounts payable for his time rather than through payroll.

Cause: Taos Public Schools has not followed state guidelines in regards to employee contribution limits.

Effect: The District's improper calculation of employee withholdings has resulted in one employee not contributing enough to the retirement plan.

- **Auditor's Recommendation:** We recommend that the District make sure that when salaries are changed during the year that the proper withholding rates are included with the change. Additionally, accounts payable staff should be instructed that no payments should be made to employees for hourly payments that all such things encountered should be forwarded to the payroll department.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014- 007 – Improper Withholding of Employee Contributions and Improper Payment of Wages (Non-Compliance) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will reconcile monthly NMPSIA billings to payroll withholding to determine withholding errors and make correcting adjustments in benefits deductions in the payroll accounting software. Also, when requisitions are submitted for purchase order approval that reflect wage compensation rather than professional development cost, the documentation will be routed to payroll for proper handling of payment.
- Timeline for completion of corrective action plan: July 2015
- Employee position(s) responsible for meeting the timeline: Director of Finance, Payroll Specialist, Payroll Benefits Specialist

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-008 – Timeliness of Deposits (Non-Compliance) Repeated and Revised

Criteria: 6.20.2.14 NMAC:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of cash receipts, we noted the following instances in which proper procedures were not followed:

- In 4 of 34 receipts tested the monies received were not deposited within 24 hours of receipt.
 - \$325.20 was received on 7/17/14 and deposited on 7/21/14
 - \$100.00 was received on 5/28/15 and deposited on 6/3/15
 - \$3,941.36 was received on 12/1/14 and deposited on 12/5/14
 - \$9,411.34 was received on 6/2/15 and deposited on 6/23/15

In the prior year's audit we noted 7 instances in which monies received were not deposited within 24 hours of receipt.

During our review of activity receipts we noted the following instances in which proper procedures were not followed:

- In 8 of 25 items tested the monies received were not deposited within 24 hours of receipt.
 - \$50.00 was received on 6/30/14 and was deposited on 7/22/14
 - \$100.00 was received on 10/13/14 and was deposited on 10/16/14
 - \$720.00 was received on 12/2/14 and was deposited on 12/4/14
 - \$158.00 was received on 10/6/14 and was deposited on 10/8/14
 - \$150.00 was received on 2/21/15 and was deposited on 2/25/15
 - \$20.00 was received on 5/28/15 and was deposited on 6/4/15
 - \$847.60 was received on 12/12/14 and was deposited on 12/19/14
 - \$50.00 was received on 11/10/14 and was deposited on 11/13/14

Additionally we noted one instance in which \$200.00 was received but there was no receipt to verify the date of receipt of the monies.

In the prior year's audit there were 4 instances in which money received was not deposited within 24 hours of receipt. Additionally, two deposits were coded to the incorrect object code.

Of the 12 receipts which were deposited after the 24 hour requirement, only three of them occurred after providing the finding to the District in February 2015.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-008 – Timeliness of Deposits (Non-Compliance) Repeated and Revised (continued)

Cause: The staff of the District did not deposit the funds within 24 hours after receipt. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The District should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District has emphasized the importance of timely deposits to all staff and will continue to communicate with those responsible for receipting and depositing fund of the twenty four hour rule.

- Timeline for completion of corrective action plan: July 2015 and ongoing

- Employee position(s) responsible for meeting the timeline: Director of Finance, Principals, Secretaries, Athletic Director and Food Service Director

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-009 – Improper Procedures for Bid/RFP's and Assigning Statutory Preferences (Significant Deficiency) Repeated and Revised

Criteria: 1.4.1.15 NMAC 1978:

All procurement shall be achieved by competitive sealed bids except procurement achieved pursuant to the following methods:

- A. competitive sealed proposals;
- B. small purchases;
- C. sole source procurement;
- D. emergency procurement;
- E. procurement under existing contracts; and
- F. purchases from anti-poverty program businesses.

1.4.1.17 NMAC 1978:

Publication. The IFB or notice thereof shall be published not less than ten calendar days prior to the date set for the opening of bids. The IFB or notice must be published once in at least three newspapers of general circulation in this state.

- A. These requirements of publication are in addition to any other procedures that may be adopted by the state purchasing agent to notify prospective bidders that bids will be received, including but not limited to publication in trade journals, if available.
- B. Bidder lists. The state purchasing agent shall send copies of the notice or IFB involving the expenditure of more than sixty thousand dollars (\$60,000) to those businesses which have signified in writing an interest in submitting bids for particular categories of items of tangible personal property, construction and services and which have paid any required fees. (13-1-104 NMSA 1978). Reference is also given to 1.4.1.48 NMAC of this rule.
- C. Public availability. A copy of the IFB shall be made available for public inspection at the office of the state purchasing agent.

1.4.1.23 NMAC 1978:

- A. Receipt. Upon its receipt, each bid and modification shall be time-stamped but not opened and shall be stored in a secure place until the time and date set for bid opening.
- B. No bids received. Except as provided in 1.4.1.68 through 1.4.1.72 NMAC of this rule, if no bids are received or if all bids received are rejected in accordance with the provisions of 1.4.1.68 through 1.4.1.72 NMAC of this rule, a new IFB shall be issued. If upon re-bidding with no change in specifications from the first IFB, the bids received are unacceptable, or if no bids are secured, the state purchasing agent may purchase (i.e., as opposed to procure) the items of tangible personal property, construction or services in the open market at the best obtainable price.
- C. Opening and recording. Bids and modifications shall be opened publicly in the presence of one or more witnesses at the time and place designated in the IFB. The name of each bidder, the amount of each bid and each bid item, if appropriate, the names and addresses of the required witnesses, and such other relevant information as may be specified by the state purchasing agent shall be recorded. The record shall be open for public inspection. Each bid, except those portions for which a bidder has made a written request for confidentiality, shall also be open to public inspection. Any data, which a bidder believes should be kept confidential shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the non-confidential portion of the bid. Prices and makes and models or catalogue numbers of the items offered, deliveries, and terms of payment shall be publicly available at the time of bid opening regardless of any designation to the contrary.

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-009 – Improper Procedures for Bid/RFP's and Assigning Statutory Preferences (Significant Deficiency) Repeated and Revised (continued)

1.4.1.25 NMAC 1978:

Statutory preferences to be applied in determining low bidder or low offeror. New Mexico law provides certain statutory preferences to resident businesses, resident veteran businesses, resident contractors and resident veteran contractors as well as for recycled content goods (13-1-21 and 13-1-22 NMSA 1978). These preferences must be applied in regard to invitations for bids and requests for proposals in accordance with statute in determining the lowest bidder or offeror.

Condition: During our testing of bid compliance we identified the following instances in which proper procedures were not followed:

- In 6 of 6 bids/RFPs reviewed where statutory preferences are allowed, no statutory preferences were given (Federal bids and RFPs cannot provide statutory preferences for in-state bidders)
- In 2 of 14 bids/RFPs reviewed there was no date and time stamp on the received bid to show the date and time the District received the documents.
- In 1 of 14 bids/RFPs reviewed there was no scoring criterion established for the RFP as required by statute; therefore there were no scoring sheets to view.

In the prior year's audit there were 10 out of 15 bids/RFPs in which there was no date and time stamp on the bid packets; in 12 of 15 bids/RFPs there were no copies of the legal announcements from the paper in which the bids/RFPs were published; in 10 of 15 bids/RFPs reviewed there was no copy of log sheets or bid tabulation sheets to show bidders who provided responses to the District; in 13 of 15 bids/RFPs reviewed there was no statutory preference given in scoring; and in 2 of 15 bids/RFPs, the district was unable to provide any of the documentation related to the bids.

Maintenance of the bid files has improved significantly from the prior year as can be seen by comparing issues between the two years.

Cause: The District has not followed proper state statutes in providing statutory preferences in all bids/RFPs that do not include Federal dollars. In one situation, the District forgot to provide scoring criteria with the RFP requirements. Additionally, the District has not properly logged receipt times in all situations through human error.

Effect: The District is not in compliance with State Purchasing Guidelines. This opens the District up to possible incidences of fraud and possible occurrences of disputed awards which could cause additional legal and monetary consequences.

Auditor's Recommendation: We recommend that the District include statutory preferences and required scoring for all bids and RFP's, that all personnel responsible for the receipt of bid envelopes are trained in proper receiving procedures.

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-009 – Improper Procedures for Bid/RFP's and Assigning Statutory Preferences (Significant Deficiency) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will provide training to the leadership team and appropriate support staff outlining the bid process. It will also ensure adequate training is provided to those individuals authorized to prepare draft bids for their departments. The District will also identify one department to finalize all bid documents and one custodian of all bid documents. Anyone with a need to access the bid files will be required to sign if the file is taken from location for any amount of time.

- Timeline for completion of corrective action plan: July 2015

- Employee position(s) responsible for meeting the timeline: Procurement Officer

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014- 012 – Improper Cash Controls and Cash Reconciliation (Significant Deficiency) Repeated and Revised

Criteria: 6.20.2.14 NMAC 1978:

- A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.
- B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.
- C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.
- D. A cash receipts journal is to be used for each fiscal year beginning July 1 and ending June 30, and is to be presented to the school district's auditor during the annual audit.
- E. The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. A revenue ledger is required for each revenue code as approved in the finalized budget, and additional revenue ledgers may be added as necessary.
- F. The school district shall establish a cash control ledger for each fund/subfund. Inter-fund transfers of cash among separate and distinct funds are not receipts or expenditures. Permanent transfers of previously receipted cash require local board and SIDE approval prior to the transfer. All other types of cash transfers require only local board approval.
- (1) Temporary transfers of cash are to be posted as "due from" and "due to" to indicate inter-fund receivables and payables.
- (2) Posting errors are not to be erased, crossed out, or in any other manner eliminated from the ledger. A separate entry is required to incorporate necessary corrections. Cross-referencing of a correcting entry to the original error should be inserted under the "description" column of the ledger.
- G. **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.**
- H. A local board, through the issuance of a formal board resolution, may authorize the superintendent of schools or his/her designee to approve vouchers for payment prior to a board meeting. A summary listing of the vouchers and any additional information prescribed by the local board shall be presented at the next regular board meeting for formal approval and entry in the minutes.
- I. Vouchers shall be numbered in such a manner as to provide a cross-reference between the voucher, the check, and the check register. All blank checks shall be properly safeguarded and an inventory of unused checks shall be taken periodically. Completed vouchers and supporting documentation is to be placed in numerical sequence, by the month in which they were paid, and filed for future reference and annual audit.
- (1) **Each warrant or check issued shall have printed on its face the words, "void after one year from date". Whenever any warrant or check is unpaid for one year, the fiscal officer shall cancel it in accordance with Section 6-10-57(A), NMSA 1978.**
- (2) **The fiscal officer shall keep a register of all canceled warrants/checks. The register shall show the number, date and amount, name of payee, fund out of which it was payable, and date of cancellation. The face amount shall revert and be credited to the fund against which the warrant/check was drawn.**
- J. The school district shall maintain a cash control ledger for each fund/subfund where all transactions affecting cash are recorded. Cash balances reported to the department shall be the same as the district's cash control ledger and annual audit.

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014- 012 – Improper Cash Controls and Cash Reconciliation (Significant Deficiency) Repeated and Revised (continued)

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. The bank statement, deposit slips, and canceled checks shall be made available to the district's auditor during the annual audit.

L. The school district shall submit cash reports to the department by the last working day of the month following the end of the reporting period, unless extended to a later date by the secretary of education.

M. Petty cash funds shall be utilized only in rare instances to facilitate small payments. Petty cash funds are established by drawing a check made payable to the employee charged with responsibility for the fund. The petty cash fund shall contain cash and/or invoices totaling the full amount of the petty cash fund and is to remain at the amount originally established.

- (1) Petty cash funds are to be reflected on the school district's balance sheet as cash on hand.
- (2) Petty cash and change funds shall not be used to make loans to employees or for cashing checks.
- (3) Petty cash may not contain more than \$100 unless more is authorized through local board action.
- (4) Change funds shall be established pursuant to school district procedure.

N. School districts shall obtain a surety bond for persons who handle or manage cash or funds.

Condition: During our review of cash and cash reconciliation we identified several instances where proper procedures are not being maintained, such as:

- Cash reconciliations are not occurring in a timely manner, i.e. within 30 days of month end
- Cash reconciliations for operational and activity funds contain stale dated checks which have not been voided and properly taken care of
- Cash reconciliations for the activity funds contain stale dated deposits in transit which have been maintained for more than one year
- The District “expensed” to the food line item a check written for petty cash for the food service department instead of debiting the petty cash account. This does not properly track petty cash which is subject to theft.

During the previous year's audit, the following items were issues with cash:

- The District is not properly recording its monthly cash reconciliations.
- At year end cash was over reported by approximately \$120,000.
- Discrepancies are not always corrected when identified.
- Correction of purchase orders were charged to cash.
- Old stale dated checks remained on reconciliation.
- Differences between NMPSIA billings and payments are not reconciled to the cash accounts.
- Cash reconciliations are not signed off and reviewed by two individuals.
- June 30, 2014 year-end cash was not completely reconciled until the end of January 2015.

Significant improvements in the maintenance of the cash accounts have occurred in the current year and have continued into the new fiscal year.

Cause: The District has been working to clean up their cash accounts and get improper items out of the cash reconciliations which for the most part have been done. However, this has delayed the completion of the reconciliations which the District is working on getting done within 30 days of month-end.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014- 012 – Improper Cash Controls and Cash Reconciliation (Significant Deficiency) Repeated and Revised (continued)

Effect: General ledger accounts are in essence misstated when stale dated items are not removed. Additionally, when cash accounts aren't reconciled timely, errors, either accidental or intentional, can go undetected for significant amounts of time which can affect proper cash planning.

Auditors' Recommendation: We recommend that the District remove all stale dated items from their cash accounts and complete all cash reconciliations within 30 days of month-end. While the District has made significant strides in this area within the last year, these items are important and will bring the District into compliance with statutes and good accounting practices.

Responsible Official's Plan:

- Specific corrective action plan for finding: Timely and accurate cash reconciliations will be conducted. Stale dated checks will be voided and reissued accordingly depending upon the particular circumstance. Inactive funds and erroneous cash balances will be cleaned up through "Permanent Cash Transfer Requests" approved by the local Board and the Public Education Department. Cash drawers for athletics and food services will be properly recorded as cash assets and carried on the balance sheet until transferred back into bank account at year end.

- Timeline for completion of corrective action plan: July through November 2015

- Employee position(s) responsible for meeting the timeline: Director of Finance

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TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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Section II – Financial Statement Findings (Continued)

FS 2014-014 – Budgetary Controls (Non-Compliance) Repeated and Revised

Criteria: According to 22-8-11 B. NMSA 1978:

B. No School district or state-chartered school or officer or employee of a school district or state-chartered school shall make any expenditure or incur any obligation for the expenditure of public funds unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department’s rules and procedures.

Condition: The District incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund #	Fund Name	Function	Amount
Non-Major Funds:			
22000	Athletics	Instruction	\$ 271
24106	IDEA-B Entitlement	Central Services	41,833
24109	IDEA-B Preschool	Support Services - Students	303
24132	IDEA-B Results	Instruction	1,628
27122	Teachers/School Leaders Stipends At-Risk	Instruction	2,367
Total			<u><u>\$ 46,402</u></u>

Cause: The District did not properly review all budgets and make adjustments prior to year end.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

Auditor’s Recommendation: We recommend that the District adhere to their policy of obtaining budgets and maintaining those budgets during the year as prescribed by State statutes.

Responsible Official’s Plan:

- Specific corrective action plan for finding: The District will monitor budgets and submit Transfer BAR’s to the Public Education Department to establish budget authority in functions where needed in order to comply with state statutes.

- Timeline for completion of corrective action plan: July 2015

- Employee position(s) responsible for meeting the timeline: Director of Finance, Director of Instruction and Federal Programs, Special Education Director

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TAOS MUNICIPAL SCHOOL DISTRICT
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FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-015 - Background Checks and License (Significant Deficiency) Repeated and Revised

Criteria: According to 22-10A-5 NMSA 1978

C. Local school boards and regional education cooperatives shall develop policies and procedure to **require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.**

D. An applicant for employment who has been initially licensed within twenty-four months of applying for employment with a local school board, regional education cooperative or a charter school shall not be required to submit to another background check if the department has copies of the applicant's federal bureau of investigation records on file. An applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school shall provide two fingerprint cards or the equivalent electronic fingerprints to the local school board, regional education cooperative or charter school to obtain the applicant's federal bureau of investigation record. The applicant, contractor or contractor's employee who has been offered employment by a regional education cooperative or at a public school may be required to pay for the cost of obtaining a background check. **At the request of a local school board, regional education cooperative or charter school, the department is authorized to release copies of federal bureau of investigation records that are on file with the department and that are not more than twenty-four months old.** Convictions of felonies or misdemeanors contained in the federal bureau of investigation record shall be used in accordance with the Criminal Offender Employment Act; provided that other information contained in the federal bureau of investigation record, if supported by independent evidence, may form the basis for the employment decisions for good and just cause. Records and related information shall be privileged and shall not be disclosed to a person not directly involved in the employment decision affecting the specific applicant who has been offered employment, contractor or contractor's employee with unsupervised access to students at a public school.

Additionally 22-10A-3 NMSA 1978 states:

A. Except as otherwise provided in this subsection, any person teaching, supervising an instructional program or providing instructional support services in a public school or state agency; any person administering in a public school; and any person providing health care and administering medications or performing medical procedures in a public school shall hold a valid license or certificate from the department authorizing the person to perform that function. This subsection does not apply to a person performing the functions of a practice teacher as defined by the state board [department].

C. A person performing the duties of a licensed school employee who does not hold a valid license or certificate or has not submitted a complete application for licensure or certification within the first three months from beginning employment duties shall not be compensated thereafter for services rendered until he demonstrates that he holds a valid license or certificate. This section does not apply to practice teachers as defined by rules of the state board [department].

Condition: During our review of personnel files we noted the following instances in which proper procedures were not followed:

- In 15 of 40 personnel files reviewed there was no licensure on file.
- In 10 of 40 personnel files reviewed there was no background check on file.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-015 - Background Checks and Licensure (Significant Deficiency) Repeated and Revised (continued)

In the prior year's audit there were 28 out of 40 files which did not contain a valid background check on file, though 16 files contained a printout from the PED website indicating that a background check was completed. Additionally, three files reviewed did not have a copy of the employee's license or certification.

Cause: Taos Public Schools has not followed state guidelines in regards to obtaining FBI background checks on all covered employees. Instead, the District has relied in many cases on obtaining a printout from the PED website indicating a PED background check was completed. Additionally, the District has not always obtained copies of licenses and certifications to maintain in the file as required..

Effect: The District's failure to maintain a background check report in the employee file is a violation of state statute and puts the District at additional risk of liability for any actions that may arise regarding these employees, and not having licensure for all employees does not comply with state regulations.

Auditor's Recommendation: We recommend that Taos Public Schools establish procedures to verify that all employees who may have unsupervised contact with a child have a valid FBI background check on file. Additionally, a procedure should be instituted which tracks licenses of all employees required to have a license on file which provides notification to the human resource department when a license expires.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District has updated the Taos Municipal School policies on background checks. The District will conduct background checks and the certifications will be maintained in personnel files. The District will ensure that all licenses are in personnel files.
- Timeline for completion of corrective action plan: July 2015
- Employee position(s) responsible for meeting the timeline: Director of Human Resources

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Section II – Financial Statement Findings (Continued)

FS 2015-001 – Cash Appropriations in Excess of Available Cash Balances (Non-Compliance)

Criteria: All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures cannot exceed the actual cash balance available at the end of the prior year.

Condition: The District re-budgeted “cash balance” in excess of available cash balances in the following fund:

	Designated Cash	Available Cash	Cash Appropriation In Excess of Cash
Private Direct Grants (29102)	\$ 9,857	\$ 5,102	\$ (4,755)

Effect: The District has budgeted cash balance that does not exist. If the District expends the entire budget there would be insufficient funds to cover the expenditures.

Cause: When the District establishes its budget for the next year, this work is done several months before year-end. This requires the District to estimate the cash balance remaining in funds at year-end and to budget this cash for expenditure in the following year. Subsequent to year-end, the District is supposed to review its budget cash and compare it to the actual cash balance at year-end. The District should then adjust the budget to match the actual cash balance. The District had appropriately reduced several other funds where the initial cash balance budgeted was in excess of the actual cash remaining at 6/30/2014. However, one fund was missed in the review process and was not properly reduced.

Auditor’s Recommendation: Budgets and cash balances for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Adjustments should be made to budgeted cash balances after actual cash amounts are determined.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Once year end audited cash balances are determined, the District will submit BAR’s to the Public Education Department to decrease budget authority for any funds whose budgets included cash carryovers and those budgeted cash balances were greater than actual cash balances at prior year end.
- Timeline for completion of corrective action plan: July 2015
- Employee position(s) responsible for meeting the timeline: Director of Finance

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2015-002 – Athletic Concession Sales Not Reconciling to Cash Register Totals (Significant Deficiency)
(continued)

Criteria: 6.20.2.14 NMAC 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of athletic receipts and concession receipts we were able to verify that the athletic director has properly used pre-numbered tickets at athletic events. We reviewed gate receipts and concession receipts for every high school athletic event during the 2014-2015 fiscal year. We were able to correlate the beginning ticket number to the ending ticket number from the previous event in most situations. There were a few occasions when a new sequence was used, but these were when the wrong ticket numbers were provided to the ticket booth or when two events were occurring simultaneously. The District was using two different ticket sequences which correlated to two separate prices being charged at the events – student price and adult price.

All gate receipts were reconciled and signed by two individuals. There were occasional minor discrepancies between the calculations of the pre-numbered tickets revenue calculations and the actual cash counted. These differences appeared random and minor as might be expected if a wrong colored ticket was given to an individual or small errors were made in giving change, common errors which can occur with staff who work gates infrequently.

We then tracked these reconciliations to deposits to agree amounts and timing of deposits. Deposit amounts agreed to the reconciled gate counts and were deposited within 24 hours except for one in October, one in December and two in February. Three business days was the longest variance between the date of the event and the date of the deposit. The February late deposits occurred during the time which Taos was having significant snow fall, but this should not have prevented the deposits from being made within the required 24 hour timeframe as school was in session during this time according to the human resource department.

While procedures appeared proper with regards to gate receipts, there were issues with concession receipting procedures. The proper use of a cash register at the concession stand was not evident at these events. The issues identified during this review included:

- No reconciliation between the cash count at the end of the event and the “Z-Out” tape of the register
- Tape register tapes were not maintained from the events
- Per conversation with the athletic director, event staffs were not very consistent at actually ringing up sales because they only had one register and the rush of halftime overwhelmed those trying to run the register. Event staff would just collect money and move on to the next customer without ringing up the sale on the register.
- Use of a register was new for the year and staff didn’t appear to be trained in the necessity of properly accounting for the funds being collected.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2015-002 – Athletic Concession Sales Not Reconciling to Cash Register Totals (Significant Deficiency)
(continued)

- No organized reconciliation between the total sales of the concession stands to the inventory of the concession were conducted

Depositing of receipts was completed in a timely manner.

Cause: Proper concession stand procedures had not been taught to the voluntary staffs which man these events. The District has not taken the proper time to train and instruct the voluntary staff working at athletic event concessions.

Effect: There is no method by which it can be determined if the cash receipts generated by the concession stands are being accounted for properly. The District is not safeguarding its cash assets and inventory at these events. Theft of cash and inventory may be occurring which neither may be proved nor disproved because of the procedures being implemented.

Auditor’s Recommendation: We recommend that the District athletic director implement additional procedures which will provide for the proper training of individuals who work these concession stands. We recommend that this begin with the training of individuals who will be the supervisors at concession events. They should be instructed as to why it is important to properly account for the revenues generated by the concession sales. We also recommend that a reconciliation process be implemented between the cash generated at the end of the event and the “Z-Out” tape of the cash register. These tapes should be maintained as support for the reconciliation.

Responsible Official’s Plan:

- Specific corrective action plan for finding: The District will provide for proper training of individual who work the concession stands. Due to the rush of crowds during half times and the fact that multiple people are conducting sales and collecting money, the District will investigate the value of trying to run a cash register at these events. Procedures will be explored to help ensure that cash assets as well as concession inventory is safeguarded.
- Timeline for completion of corrective action plan: November 2015
- Employee position(s) responsible for meeting the timeline: Athletic Director and Director of Finance

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-017 – Payroll – Federal Forms (Non-Compliance) Repeated and Revised

Criteria: NMAC 6.20.2.18 1978 states:

The local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Condition: During our review of payroll we noted the following instances in which proper procedures were not followed:

- In 4 of 9 employee personnel files reviewed the I-9 was not properly filled out. There was only 1 form of ID used instead of two as required.

In the prior year’s audit 9 of 17 personnel files had I-9’s which were lacking proper documentation, and one file did not have a W-4 on file.

Cause: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

Effect: The District is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986.

Auditor’s Recommendation: We recommend that the Charter follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never post-dated. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for “knowingly” continuing to employ an unauthorized worker if the individual is not in fact authorized to work. As there are very few employees at the Charter, each personnel file should be reviewed and those files which are lacking proper supporting documentation should have a new I-9, W-4, or other documentation completed to bring all files into compliance with Federal and State regulations.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Anansi Charter School management has provided training to its employees currently responsible for maintaining employee personnel files and monitoring compliance with the Immigration Reform and Control Act of 1986. Anansi Charter School has implemented a checklist and review process during the current fiscal year to ensure that employees have completed section 1 of the Form I-9 and submitted all required supporting documentation.
- Timeline for completion of corrective action plan:
- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014 – 018 – Background Checks and Licensing (Non-Compliance) Repeated and Revised

Criteria: According to 22-10A-5 NMSA 1978

C. Local school boards and regional education cooperatives shall develop policies and procedure to require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.

D. An applicant for employment who has been initially licensed within twenty-four months of applying for employment with a local school board, regional education cooperative or a charter school shall not be required to submit to another background check if the department has copies of the applicant's federal bureau of investigation records on file. An applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school shall provide two fingerprint cards or the equivalent electronic fingerprints to the local school board, regional education cooperative or charter school to obtain the applicant's federal bureau of investigation record. The applicant, contractor or contractor's employee who has been offered employment by a regional education cooperative or at a public school may be required to pay for the cost of obtaining a background check. At the request of a local school board, regional education cooperative or charter school, the department is authorized to release copies of federal bureau of investigation records that are on file with the department and that are not more than twenty-four months old. Convictions of felonies or misdemeanors contained in the federal bureau of investigation record shall be used in accordance with the Criminal Offender Employment Act; provided that other information contained in the federal bureau of investigation record, if supported by independent evidence, may form the basis for the employment decisions for good and just cause. Records and related information shall be privileged and shall not be disclosed to a person not directly involved in the employment decision affecting the specific applicant who has been offered employment, contractor or contractor's employee with unsupervised access to students at a public school.

Additionally 22-10A-3 NMSA 1978 states:

A. Except as otherwise provided in this subsection, any person teaching, supervising an instructional program or providing instructional support services in a public school or state agency; any person administering in a public school; and any person providing health care and administering medications or performing medical procedures in a public school shall hold a valid license or certificate from the department authorizing the person to perform that function. This subsection does not apply to a person performing the functions of a practice teacher as defined by the state board [department].

C. A person performing the duties of a licensed school employee who does not hold a valid license or certificate or has not submitted a complete application for licensure or certification within the first three months from beginning employment duties shall not be compensated thereafter for services rendered until he demonstrates that he holds a valid license or certificate. This section does not apply to practice teachers as defined by rules of the state board [department].

Condition: During our review of personnel files we noted the following deficiencies.

- In 2 of 9 personnel files reviewed there was no valid background check on file

In the previous year there were 10 of 17 employees who did not have valid background checks on file.

Cause: Anansi Charter has not followed state guidelines in regards to obtaining valid FBI background checks.

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014 – 018 – Background Checks and Licensing (Non-Compliance) Repeated and Revised (continued)

Effect: The Charter’s failure to maintain a background check report in the employee file is a violation of state statute and puts the Charter at additional risk of liability for any actions that may arise regarding the employees.

Auditor’s Recommendation: We recommend that Anansi Charter obtain valid FBI background checks on all of its employees to ensure that no issues exist with current staff. With a small staff, the Charter should be able to complete this process in a short amount of time.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Anansi Charter School management has provided training to its employees currently responsible for monitoring compliance and maintaining employee files pertaining to background checks and licensure documentation. All personnel files are reviewed and verified annually with the Personnel File Checklist, which was implemented in the current fiscal year.
- Timeline for completion of corrective action plan:
- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-020 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statues include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our testing of cash disbursement we found the following instances in which proper procedures were not followed:

- In 1 of 25 items reviewed the purchase order was created after the goods or service was received. The value of this purchase was \$2,460.00.
- In 2 of 25 items reviewed there was no receiving documentation to verify the goods and services were received by the school. The values of the items were \$76.48 and \$2,460.00.

In the previous audit we identified 2 instances in which the goods and services were received prior to the purchase order creation, and there were 2 instances in which there was no receiving documentation. Additionally, one check was created for approximately \$33 more than the invoice on file

During our review of travel and per-diem we identified the following instance in which proper procedures were not followed:

- In 1 of 11 items reviewed the purchase order was created after travel was completed. The value of this item was \$75.00.

During our review of individually significant we identified the following instances in which proper procedures were not followed:

- In 10 of 33 items tested the purchase order was created after the goods or service was purchased. The value of these items ranged from \$5,122.48 to \$91,420.48.
- In 1 of 33 items tested there was no receiving documentation to verify the charter received the goods or service. The value of this item was \$91,420.48.

Cause: School personnel have not followed state guidelines or internal procedures in the purchase of items. PED procedures clearly state that the school have a signed purchase order in place prior to the order of any goods or services. State guidelines require that goods and services received by the school have appropriate receiving documentation.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the school and the board at risk for fraud or misuse of public funds

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, school and state policy in regards to purchasing of goods, services, or construction. All school personnel need to be aware that a purchase order must be approved prior to payment authorization. Additionally, when goods and services are received by the school, someone must sign and date when the product or service was received.

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-020 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: Before the end of FY16, Anansi Charter School management will provide in-service training to all school personnel regarding state procurement requirements that a purchase order must be approved and obtained prior to payment authorization. Additionally, procedures for those administrative staff responsible for receiving goods and services will be developed to ensure that items received by the school are accompanied by a signature and date of receipt of the product or service

- Timeline for completion of corrective action plan: This will be implemented by January 2016.

- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

**FS 2014-021 – Payment for Goods and/or Services not Completed Within 30 Days (Non-Compliance)
Repeated and Revised**

Criteria: Per 13-1-158 NMSA 1978:

C. Except as provided in Subsection D of this section, upon certification by the central purchasing office or the using agency that services, construction, or items of tangible personal property have been received and accepted, payment shall be tendered to the contractor within thirty days of the date of certification. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the contractor at the rate of one and one-half percent per month. For purchases funded by state or federal grants to the local public bodies, if the local public body has not received the funds from the federal or state funding agency, payments shall be tendered to the contractor within five working days of receipt of funds from that funding agency.

Condition: During our review of individually significant we noted the following instances in which proper procedures were not followed:

- In 4 of 33 items reviewed payment for good and services received were not paid within 30 days. The value of these goods and services ranged from \$4,912.11 to \$10,693.07.

In the previous audit there was one invoice not paid within 30 days.

Cause: District personnel have not followed state guidelines or internal procedures for the payment of items. State guidelines clearly state that vendors must be paid within 30 days of receipt of goods or services.

Effect: Internal control over payment and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the school and the board at risk for fraud or misuse of public funds and puts the school at risk of incurring greater expenses as vendors may charge late fees.

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, school and state policy in regards to payment of goods, services, or construction. All school personnel need to be aware that payments for goods, services, and construction are to be paid within 30 days of receipt of a valid invoice. When a legitimate dispute exists as to the reason for not paying in a timely fashion, Charter personnel should document this information and maintain it with the supporting payment documentation.

Responsible Official's Plan:

- Specific corrective action plan for finding: Anansi Charter School management will work closely with our business manager, in the current fiscal year, to review all valid invoices for the payment of goods, services and construction so that they are processed timely in order to ensure payment within 30 days of receipt, unless disputed and documented for legitimate reasons.

- Timeline for completion of corrective action plan:

- Employee position(s) responsible for meeting the timeline: Roberta Martinez, Michele Hunt and Domingo Sanchez III

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-022 - Improper Payment of Travel and Per-Diem Expenses (Significant Deficiency) Repeated and Revised

Criteria: According to 2.42.2.9 NMAC 1978;

A. **Applicability:** Upon written request of a public officer or an employee, agency heads may grant written approval for a public officer or employee of that agency or local public body to be reimbursed actual expenses in lieu of the per diem rate where overnight travel is required.

B. **Overnight travel:** For overnight travel for state officers and employees where overnight lodging is required, the public officer or employee will be reimbursed as follows:

(1) **Actual reimbursement for lodging:** A public officer or an employee may elect to be reimbursed actual expenses for lodging not exceeding the single occupancy room charge (including tax) in lieu of the per diem rate set forth in this Section. Whenever possible, public officers and employees should stay in hotels which offer government rates. Agencies, public officers or employees who incur lodging expenses in excess of \$215.00 per night must obtain the signature of the agency head or chairperson of the governing board on the travel voucher prior to requesting reimbursement and on the encumbering document at the time of encumbering the expenditure.

(2) **Actual reimbursement for meals:** Actual expenses for meals are limited by Section 10-8-4(K)(2) NMSA 1978 (1995 Repl. Pamp.) to a maximum of \$30.00 for in-state travel and \$45.00 for out-of-state travel for a 24-hour period.

(3) **Receipts required:** The public officer or employee must submit receipts for the actual meal and lodging expenses incurred. Under circumstances where the loss of receipts would create a hardship, an affidavit from the officer or employee attesting to the expenses may be substituted for actual receipts. The affidavit must accompany the travel voucher and include the signature of the agency head or governing board. See Appendix B for a sample affidavit.

Additionally 2.42.2.11 NMAC states;

A. **Applicability:** Mileage accrued in the use of a private conveyance shall be paid only in accordance with the provisions of this section.

B. **Rate:** Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows:

(1) unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle;

C. **Local public bodies:** Public officers and employees of local public bodies may be reimbursed for mileage accrued in the use of a private conveyance in the discharge of official duties, at the statutory rates unless such rates have been reduced by the governing bodies of the local public body pursuant to Section 10-8-5 (D) NMSA 1978.

D. **Privately owned automobile:** For conveyance in the discharge of official duties by privately owned automobile, mileage accrued shall be reimbursed at the rate set forth in this section as follows:

(1) pursuant to the mileage chart of the official state map published by the state highway and transportation department for distances in New Mexico and the most recent edition of the Rand-McNally road atlas for distances outside of New Mexico; or

(2) pursuant to actual mileage if the beginning and ending odometer reading is certified as true and correct by the traveler; and

(a) the destination is not included on the official state map or on the Rand McNally road atlas,

or,

(b) at the destination(s) of the public officer or employee, the public officer or employee was required to use the private conveyance in performance of official duties.

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-022 – Improper Payment of Travel and Per Diem Expenses (Significant Deficiency) Repeated and Revised (continued)

Condition: During our testing of travel and per-diem we noted the following instances in which proper procedures were not followed:

- In 1 of 11 items reviewed the employee was reimbursed more than \$30.00 per day. The employee was reimbursed \$37.91 for actual costs for one day of meals. However, even when receiving actual costs for reimbursement the amount may not exceed the maximum allowable cost per day, or \$30 for in-state reimbursements.
- In 1 of 11 items reviewed there was no receipt for the actual meal reimbursement nor was there an affidavit. There was a credit/debit card payment receipt showing the total cost of the meal; however, actual meal reimbursement requires a detail receipt to verify that non-allowable items, such as alcohol, are not being reimbursed.
- In 1 of 11 items reviewed there was no supporting documentation for mileage reimbursement – no standard mileage chart, map, or odometer reading accompanied the supporting documentation as required by statute.

In the previous year's audit we noted one instance in which there was no documentation for mileage reimbursement.

Cause: The Charter did not follow state guidelines in its procedures for reimbursing travel and per diem payments.

Effect: The Charter may be reimbursing for items in excess of amounts it is legally liable for under statute which is a misuse of funds, or it may be illegally reimbursing individuals for items when detail meal receipts are not obtained.

Auditor's Recommendation: We recommend that Charter become more familiar with the details of the travel and per diem statute so that it doesn't improperly reimburse individuals in the future. It should also hold additional training with staff so they are also aware of the documentation requirements for travel and per diem reimbursements. The more familiar personnel are with the requirements, the fewer issues the Charter will experience.

Responsible Official's Plan:

- Specific corrective action plan for finding: Anansi Charter School management will review travel reimbursement requests more closely to ensure that no more than 80% of anticipated actual cost is put on employee travel advances, but we currently require beginning and ending mileage to be recorded on our reimbursement form when employees use their personal vehicles for official travel, unless they are using map mileage.
- Timeline for completion of corrective action plan:
- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2014-023 - Timeliness of Deposits (Non-Compliance) Repeated and Revised

Criteria: 6.20.2.14 NMAC 1978:

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of cash receipts, we identified the following instances in which proper procedures were not followed:

- In 2 of 38 items reviewed monies received were not deposited within 24 hours of receipt.
 - \$50.00 was received on 11/03/14 and was deposited on 11/05/14.
 - \$21,458.50 was received on 11/17/14 and was deposited on 11/19/14

In the previous year's audit there were 4 instances in which funds were not deposited within 24 hours.

Cause: The staff of the charter did not deposit the funds within 24 hours after receipt. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the charter in noncompliance and lack of timeliness of deposits could subject the charter to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the charter emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The charter should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible.

Responsible Official's Plan:

- Specific corrective action plan for finding: Anansi Charter School management has cross-trained our business office employees on deposit preparation protocol, developed a daily deposit plan for bank deposits and will monitor more closely the timeliness of the daily deposits of receipts to ensure compliance with state statutes.

- Timeline for completion of corrective action plan:

- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2015-001 ACS – Payment for Products not Yet Received (Non-Compliance)

Criteria: According to 13-1-158 NMSA 1978, “no warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction or items of tangible personal property unless the central purchasing office or the using agency certifies that the services, construction or items of tangible personal property have been received and meet specifications or unless prepayment is permitted under Section 13-1-98 NMSA 1978....”

Condition: During our review of accounts payable we noted the following instance in which proper procedures were not followed:

- In 1 of 11 items tested the Charter paid for construction services prior to the start of construction. The value of this payment was \$13,323.67.

Cause: The Charter has not followed state procurement guidelines for construction and tangible items.

Effect: The Charter prepaid for items which it had not yet received. Any prepayment for products or services puts the Charter at risk of loss in the amount of that prepayment and is a violation of state statute.

Auditor’s Recommendation: We recommend that management take precautions to make sure products or services are not prepaid unless permitted by state and internal guidelines.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Anansi Charter School management will begin to closely monitor all invoices to determine the receipt of goods prior to requesting future payments for any goods or services.
- Timeline for completion of corrective action plan:
- Employee position(s) responsible for meeting the timeline: Roberta Martinez and Michele Hunt

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2015-002 ACS – Segregation of Duties (Significant Deficiency)

Criteria: 6.20.2.11 NMAC 1978:

A. 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, 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, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

B. Each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

(1) School district management must ensure that protection of the public trust is a major focus when granting the authorization to execute business of the school district.

(2) Employees handling significant amounts of cash must be adequately bonded. Access to assets is permitted only in accordance with school district authorization.

(3) Receipts, checks or warrants, purchase orders, and vouchers shall be sequentially pre-numbered.

(4) School districts shall have proper safeguards to protect unused checks and other pre-numbered forms, undeposited cash and other receipts, and facsimile signature plates.

(5) Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, school districts shall establish any other criteria applicable to such statements to maintain accountability for assets.

(6) School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

C. **An internal control structure is required to demonstrate the school district's ability to record, process, summarize and report financial data consistent with the following financial statement assertions:**

(1) **rights and ownership;**

(2) **existence and occurrence;**

(3) **valuation and allocations;**

(4) **completeness; and,**

(5) **presentation and disclosure.**

D. The internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through school district correspondence, manuals, training, and other additional methods. **Appropriate internal control procedures shall be adopted by the local board within a school district to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all school district transactions.**

Condition: During our review of travel and per-diem we noted the following deficiency:

- The Director has the ability to approve her own travel reimbursement rather than having the Council President approve those reimbursements.

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Schedule XI

Section II – Financial Statement Findings – Anansi Charter School (Continued)

FS 2015-002 ACS – Segregation of Duties (Significant Deficiency) (continued)

Cause: The Charter’s Council didn’t consider the proper segregation of duties responsibilities which should exist for any reimbursements or payments to the Director of the Charter.

Effect: The Director has the ability to approve her own reimbursement without oversight or involvement of the Council President. This could lead to an incidence of fraud as there is no mitigating control on the process.

Auditors’ Recommendation: We recommend that the Charter ensure that one individual is not able to issue their own reimbursement authorization without a secondary individual’s approval. The Director works for the Council, so the Council is the Director’s supervisor; as such, the Council, or a designee of the council, should approve all travel and expense reimbursement requests to provide for sound internal control procedures.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Anansi Charter School management will request that its governing board appoint an authorized designee by January 2016 to approve any future travel and expense reimbursement requests for the school’s Director.

- Timeline for completion of corrective action plan:

- Employee position(s) responsible for meeting the timeline: Michele Hunt and Governing Board Designee

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School

FS 2014-029 Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: The New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must *precede* the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statutes include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our review of cash disbursements we noted the following instances in which proper procedures were not followed.

- In 7 of 25 items reviewed there was not a purchase order in place prior to the purchase of goods and or services. The value of these items ranged from \$36.00 to \$1,720.18.

In the prior year’s audit there were 7 instances in which a valid purchase order was not in place prior to the purchase of goods and services. The value of those items ranged from \$94.00 to \$3,502.02. In one item reviewed, the vendor invoice did not itemize the hours billed at the two separate rates being paid so that the accuracy of the invoice could be tested.

During our review of individually significant items we identified the following instances in which proper procedures were not followed:

- In 1 of 45 items reviewed there was no purchase order in place prior to the purchase of goods or services. The value of this purchase was \$7,356.76.

In the prior year’s audit, 5 of 26 items reviewed had no receiving documentation to verify that goods and or services were received by the school. The value of those items ranged from \$5,800 to \$114,277.13. In 2 of the items reviewed the payments exceeded the value of the purchase orders. Each was approximately \$100 over the purchase order value.

During our review of travel and per-diem we noted the following instances in which proper procedures were not followed.

- In 2 of 11 items reviewed the purchase order was created after the travel took place. The value of these two reimbursements was \$522.19 and \$161.55.

In the prior year’s audit there were two instances in which the purchase order was created after the travel occurred. Those payments were for \$145.72 and \$101.20.

Cause: Charter personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the Charter has a signed purchase order in place prior to the order of any goods and services

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the Charter and the Council at risk for fraud or misuse of public funds.

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, Charter and state policy in regards to purchasing of goods, services, or construction. All Charter personnel need to be aware that a purchase order must be approved prior to ordering goods or services or travel being initiated.

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School

FS 2014-029 Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: At the beginning of the year staff in-service training on August 12th the director, fiscal assistant and business manager stated to staff that the management will deny all requests for reimbursement i.e. all Charter personnel were trained to understand that a purchase order must be approved prior to ordering goods or travel being initiated. The director clarified that only the school management will document receipt of products or services with a dated document, and that no other staff are allowed to take delivery of goods or services without management's approval and dated documentation via a receipt. Director will sign documents demonstrating receipt of goods.

- Timeline for completion of corrective action plan:

- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-030 - Payment for Goods and/or Services not Completed Within 30 Days (Non-Compliance)
Repeated and Revised

Criteria: Per 13-1-158 NMSA 1978:

C. Except as provided in Subsection D of this section, upon certification by the central purchasing office or the using agency that services, construction, or items of tangible personal property have been received and accepted, payment shall be tendered to the contractor within thirty days of the date of certification. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the contractor at the rate of one and one-half percent per month. For purchases funded by state or federal grants to the local public bodies, if the local public body has not received the funds from the federal or state funding agency, payments shall be tendered to the contractor within five working days of receipt of funds from that funding agency.

Condition: During our review of individually significant items we noted the following instance in which proper procedures were not followed:

- In 3 of 45 items reviewed, payment was not issued within 30 days of receiving a valid invoice.
 - One vendor issued an invoice for \$4,111.13 dated 7/31/14; two additional invoices dated 8/19/2014 for \$2,163.75 and \$1,081.88, respectively, were not paid until 1/26/15, the same date that the purchase order was created for the purchases
 - Another vendor sent two invoices, dated 10/31/2015 and 11/15/2015 totaling \$5,356.26, which weren't paid until 1/26/2015.
 - A third vendor sent an invoice for \$7,719.04 on 11/4/2014 but wasn't paid until 1/26/2015.

In the prior year's audit, there were five instances when invoices were not paid timely. The value of the untimely payments ranged between \$204.00 and \$3,502.00.

Cause: District personnel have not followed state guidelines or internal procedures for the payment of items. State guidelines clearly state that vendors be paid within 30 days of receipt of goods and or services.

Effect: Internal control over payment and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds and puts the District at risk of incurring greater expenses as vendors may charge late fees.

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to payment of goods, services, or construction. All District personnel need to be aware that payments for goods, services, and construction are to be paid within 30 days of receipt on a valid invoice. When a legitimate dispute exists as to the reason for not paying in a timely fashion, Charter personnel should document this information and maintain it with the supporting payment documentation.

Responsible Official's Plan:

- Specific corrective action plan for finding: Director and fiscal assistant instituted improved office procedures to insure that all invoices for the payments for goods, services, and construction will be paid within 30 days of receipt of a valid invoice.
- Timeline for completion of corrective action plan: FY 2015-2016
- Employee position(s) responsible for meeting the timeline: Debbie Martinez and Domingo Sanchez III

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-031 Payroll– Federal Forms (Non-Compliance) Repeated and Revised

Criteria: NMAC 6.20.2.18 1978:

The local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Condition: During our review of payroll we noted the following deficiencies:

- 3 out of 9 I-9's tested were not dated by the employee, employer or both.

In the previous year's audit 17 out of 25 I-9's tested had incomplete information or were missing information.

Cause: During the hiring process, proper care is not taken to verify that all required information is completed accurately and completely.

Effect: Taos Charter School is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986 which can result in Federal findings if audited by a Federal agency.

Auditor's Recommendation: We recommend that Taos Charter School follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never post-dated. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for "knowingly" continuing to employ an unauthorized worker if the individual is not in fact authorized to work.

Responsible Official's Plan:

- Specific corrective action plan for finding: The office will maintain a checklist with all staff members' names and employment documents to insure that I-9 documentation is obtained.
- Timeline for completion of corrective action plan: FY 2015-2016
- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014 – 032 - Background Checks and Licensing (Non-Compliance) Repeated and Revised

Criteria: According to 22-10A-5 NMSA 1978

C. Local school boards and regional education cooperatives shall develop policies and procedure to require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.

D. An applicant for employment who has been initially licensed within twenty-four months of applying for employment with a local school board, regional education cooperative or a charter school shall not be required to submit to another background check if the department has copies of the applicant's federal bureau of investigation records on file. An applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school shall provide two fingerprint cards or the equivalent electronic fingerprints to the local school board, regional education cooperative or charter school to obtain the applicant's federal bureau of investigation record. The applicant, contractor or contractor's employee who has been offered employment by a regional education cooperative or at a public school may be required to pay for the cost of obtaining a background check. At the request of a local school board, regional education cooperative or charter school, the department is authorized to release copies of federal bureau of investigation records that are on file with the department and that are not more than twenty-four months old. Convictions of felonies or misdemeanors contained in the federal bureau of investigation record shall be used in accordance with the Criminal Offender Employment Act; provided that other information contained in the federal bureau of investigation record, if supported by independent evidence, may form the basis for the employment decisions for good and just cause. Records and related information shall be privileged and shall not be disclosed to a person not directly involved in the employment decision affecting the specific applicant who has been offered employment, contractor or contractor's employee with unsupervised access to students at a public school.

Additionally 22-10A-3 NMSA 1978 states:

A. Except as otherwise provided in this subsection, any person teaching, supervising an instructional program or providing instructional support services in a public school or state agency; any person administering in a public school; and any person providing health care and administering medications or performing medical procedures in a public school shall hold a valid license or certificate from the department authorizing the person to perform that function. This subsection does not apply to a person performing the functions of a practice teacher as defined by the state board [department].

C. A person performing the duties of a licensed school employee who does not hold a valid license or certificate or has not submitted a complete application for licensure or certification within the first three months from beginning employment duties shall not be compensated thereafter for services rendered until he demonstrates that he holds a valid license or certificate. This section does not apply to practice teachers as defined by rules of the state board [department].

Condition: During our review of personnel files we noted the following deficiencies.

- In 8 of 9 files reviewed there was no FBI background check on file.
- In 1 of 9 files reviewed there was no license on file or the license had expired.

In the prior year's audit 12 of the 17 files reviewed there was no background check on file and 4 of 17 files did not have a current license on file.

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014 – 032 - Background Checks and Licensing (Non-Compliance) Repeated and Revised (continued)

Cause: Taos Charter has not followed state guidelines in regards to documentation of licensure and obtaining valid FBI background checks on its employees.

Effect: The school’s failure to obtain a valid FBI background check report is a violation of state statute and puts the school at additional risk of liability for any actions that may arise regarding the employees. Additionally, not maintaining proper licensure documentation for all employees required to have licensure does not comply with state regulations. Without proof of licensure, the Charter is also in violation of state statute if the employee is compensated after three months of employment.

Auditor’s Recommendation: We recommend that Taos Charter obtain valid FBI background checks on all of its employees to ensure that no issues exist with current staff. We also recommend that the Charter work to obtain copies of all licenses for its employees and maintain current licenses on all staff. Payment of staff is actually illegal after a three month grace period if a valid license is not on file.

Responsible Official’s Plan:

- Specific corrective action plan for finding: The office will maintain a checklist with all staff members’ names and employment documents to insure that staff has valid and current licenses and background checks.
- Timeline for completion of corrective action plan: FY 2015-2016
- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-033 -- Incomplete Bidding Procedures and Purchases Requiring Quotations (Significant Deficiency) Repeated and Revised

Criteria: According to 1.4.1.15 NMSA 1978, All procurement shall be achieved by competitive sealed bids except procurement achieved pursuant to the following methods:

- A. competitive sealed proposals;
- B. small purchases;
- C. sole source procurement;
- D. emergency procurement;
- E. procurement under existing contracts; and
- F. purchases from anti-poverty program businesses.

Additionally, 1.4.1.48 NMAC sets forth the guidelines for small purchases. The provisions of 1.4.1.48 through 1.4.1.52 NMAC of this rule apply to the procurement of nonprofessional services, construction or items of tangible personal property having a value not exceeding sixty thousand dollars (\$60,000) and to the procurement of professional services having a value not exceeding sixty thousand dollars (\$60,000) the use of a statewide price agreement, an existing contract or the methods of procurement set forth in 1.4.1.50 through 1.4.1.52 NMAC of this rule provide alternatives to the competitive sealed bid and competitive sealed proposal methods of procurement. If an existing statewide price agreement, an existing contract or, the procurement methods set forth in 1.4.1.50 through 1.4.1.52 NMAC of this rule are not used, the competitive sealed bid or competitive sealed proposal methods shall apply.

1.4.1.51 SMALL PURCHASES OF ITEMS OF TANGIBLE PERSONAL PROPERTY, CONSTRUCTION AND NONPROFESSIONAL SERVICES:

A. Quotation to be obtained. Insofar as it is practical for small purchases of nonprofessional services, construction or items of tangible personal property having a value exceeding twenty thousand dollars (\$20,000) but not exceeding sixty thousand dollars (\$60,000), and in accordance with any procedures or processes set forth by the state purchasing agent, no fewer than three businesses shall be solicited via written requests containing the specifications for the procurement to submit written quotations that are recorded and placed in the procurement file. If three written quotes cannot be obtained, the agency shall document the reasons and include the document in the procurement file. Such notations as “does not carry” or “did not return my phone call” do not qualify as a valid quotation. If the lowest quotation is not acceptable, the central purchasing office must issue a written determination as to the reasons for such a decision. These reasons must not be arbitrary or capricious. The written determination becomes a part of the procurement file.

1.4.1.65 goes on to state, The state purchasing agent or a central purchasing office may contract for services, professional services, construction, or items of tangible personal property without the use of competitive sealed bids or competitive sealed proposals as follows:

- A. at a price equal to or less than the contractor's current federal supply contract (GSA), providing the contractor has indicated in writing a willingness to extend the contract's pricing, terms and conditions to the state agency and the purchase order adequately identifies the contract relied upon; or
- B. with a business which has a current price agreement with the state purchasing agent or a central purchasing office for the item, services, or construction meeting the same standards and specifications as the items to be procured, if the following conditions are met:
 - (1) the total quantity purchased does not exceed the quantity which may be purchased under the applicable price agreement; and
 - (2) the purchase order adequately identifies the price agreement relied upon;

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Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-033 -- Incomplete Bidding Procedures and Purchases Requiring Quotations (Significant Deficiency)
Repeated and Revised (continued)

C. other than Subsection A and B of this section and cooperative procurements as authorized by statute (and described in 13-1-135 NMSA 1978) or the state procurement card program (described in 6-5-9.1 NMSA 1978), no other procurement under existing contracts is authorized; no central purchasing office of a state agency or any other governmental entity may utilize a contract entered into by a different state agency or other governmental entity if not involved in the procurement itself (i.e., so-called “piggybacking” of contracts; the practice of “piggybacking” is not allowed under the Procurement Code); purchases under contracts developed through cooperative procurement authorized under 13-1-135 NMSA 1978 or contracts which qualify under 13-1-129 NMSA 1978 is permitted and does not constitute “piggybacking.”

Finally 1.4.1.67 NMAC requires, “**A central purchasing office shall retain for public inspection and for the use of auditors a copy of each state purchasing agent contract or current price agreement relied upon to make purchases without seeking competitive bids.**”

Condition: During our testing of individually significant disbursements we noted several instances in which proper procedures were not followed:

- In 4 of 43 items tested there was no copy of the CES contract in the file. The value of these purchases ranged from \$34,081.91 to \$84,047.99.
- Three purchases were identified in which quotes were not obtained for purchases greater than \$20,000. The values of the purchases were \$26,243.65, \$48,583.26, and \$38,181.07, respectively.

In the prior year’s audit, the Charter had one instance of not maintaining a CES contract on file for a construction project.

Cause: Taos Charter School has not followed proper state statutes in obtaining quotes for small purchases or maintaining copies of agreements for non-bid purchases through CES. The charter has not followed statute when it comes to the purchases of goods or services. The Charter staff wasn’t aware of the need for retaining CES contracts when used for items in excess of \$20,000 and were under the assumption that construction didn’t need quotes until it reached the \$60,000 threshold.

Effect: The Charter is not in compliance with State Purchasing Guidelines. The Charter may not be receiving the best value for its money without obtaining quotes for purchases in excess of \$20,000.

Auditor’s Recommendation: We recommend that the charter follow state procurement laws when it comes to the purchase of goods or services. Quotes should be obtained from at least three sources when making purchases for goods or constructions services over \$20,000 and less than \$60,000. Additionally, when using CES contracts to avoid obtaining quotes or doing formal bids, the Charter should maintain a file, either electronic or hard copy, of all CES contracts used during that year.

Responsible Official’s Plan:

- Specific corrective action plan for finding: Management will obtain and maintain copies of agreements with CES or state purchasing agreements, which would otherwise require a bid or request for proposals.
- Timeline for completion of corrective action plan: FY 2015-2016
- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-034 - Improper Payment of Travel Reimbursement (Non-Compliance) Repeated and Revised

Criteria: According to 2.42.2.8 NMAC 1978, “Per-diem rates shall be paid to public officers and employees only in accordance with the provisions of this section. Per-diem rates shall be paid without regard to whether expenses are actually incurred.”

(1) Partial day per diem rate: Public officers or employees who occasionally and irregularly travel shall be reimbursed for travel which does not require overnight lodging, but extends beyond a normal work day as follows:

- (a) for less than 2 hours of travel beyond normal work day, none;
- (b) for 2 hours, but less than 6 hours beyond the normal work day, \$12.00;
- (c) for 6 six hours, but less than 12 hours beyond the normal work day, \$20.00;
- (d) for 12 hours or more beyond the normal work day, \$30.00;

(2) Overnight Travel: “Regardless of the number of hours traveled, travel for public officers and employees where overnight lodging is required shall be reimbursed as follows:

- (a) in state areas \$85.00
- (b) in state special areas \$135.00
- (c) out of state areas \$115.00;
- (d) or actual lodging and meal expenses under 2.42.2.9 NMAC.

Additionally 2.42.2.9 NMAC 1978:

B. Overnight travel: For overnight travel for state officers and employees where overnight lodging is required, the public officer or employee will be reimbursed as follows:

(3) Receipts required: The public officer or employee must submit receipts for the actual meal and lodging expenses incurred. Under circumstances where the loss of receipts would create a hardship, an affidavit from the officer or employee attesting to the expenses may be substituted for actual receipts. The affidavit must accompany the travel voucher and include the signature of the agency head or governing board. See Appendix B for a sample affidavit.

Finally, 2.42.2.11 NMAC 1978:

B. Rate: Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows:

(1) unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle;

D. Privately owned automobile: For conveyance in the discharge of official duties by privately owned automobile, mileage accrued shall be reimbursed at the rate set forth in this section as follows:

- (1) pursuant to the mileage chart of the official state map published by the state highway and transportation department for distances in New Mexico and the most recent edition of the Rand-McNally road atlas for distances outside of New Mexico; or
- (2) pursuant to actual mileage if the beginning and ending odometer reading is certified as true and correct by the traveler; and
 - (a) the destination is not included on the official state map or on the Rand McNally road atlas, or,
 - (b) at the destination(s) of the public officer or employee, the public officer or employee was required to use the private conveyance in performance of official duties.

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Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-034 - Improper Payment of Travel Reimbursement (Non-Compliance) Repeated and Revised(continued)

Condition: During our review of travel and per-diem, we noted the following instances in which proper procedures were not followed.

- In 10 of 11 items reviewed there was no beginning or ending mileage or map to verify the mileage driven.
- In 1 of 11 items reviewed an employee was reimbursed at a rate lower than the State mandated amount. An employee was gone for more than 12 hours but was reimbursed \$20 rather than the \$30 as mandated.
- In 1 of 11 items reviewed the employee was reimbursed for meals in excess of the allowable rate. The employee traveled on a normal work day with a starting time of 6:00 am and a return time of 7:00 pm that evening and was reimbursed \$30 for a full day. However, the statute only allows the time outside of the normal workday to be counted towards the hours to be reimbursed. In this case the employee should have been reimbursed \$20 instead of \$30.
- In 1 of 11 items reviewed an employee stayed at Buffalo Thunder in Pojaque but was paid the special rate for an overnight stay of \$135 instead of the proper rate of \$85 for an overnight stay. Pojaque is not considered a special city rate in New Mexico.

In the prior year's audit there was one instance in which an employee was paid \$18 more than the state mandated rate for travel.

Cause: District personnel have not followed state guidelines in regards to travel and per diem rates and documentation for travel reimbursement

Effect: Internal control over expenditures and the ability of responsible parties to appropriately distribute monies for which they bear responsibility may be compromised. Employees have not been properly reimbursed for their travel with some employees reimbursed more than they should and other employees not receiving sufficient reimbursement.

Auditor's Recommendation: We recommend that management review state guidelines and ensure that Charter personnel are properly trained and knowledgeable of applicable travel reimbursement statutes.

Responsible Official's Plan:

- Specific corrective action plan for finding: Management has reviewed state guidelines and ensured that Charter personnel are properly trained and knowledgeable of statutes pertaining to mileage, per diem and travel reimbursements. The director and fiscal assistant instituted a review procedure to check calculations before approving per diem payments.
- Timeline for completion of corrective action plan:
- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Schedule XI

Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2014-036 – Annual Physical Inventory Certification (Non-Compliance) Revised and Repeated

Criteria: Per 6.20.1.8 NMAC 1978:

B. The information to be recorded and maintained on its fixed assets must include at a minimum the following:

- (10) Cost (according to the valuation methods described in section 10 [now 2.20.1.10 NMAC];
- (11) Fund and organization that purchased the asset, or to which it was transferred.

C. The system must be capable of generating lists of fixed assets in sequences useful for managing them. It must track all transactions including acquisitions, depreciation (if needed), betterments and dispositions. It must generate all necessary accounting entries to the agency's general ledger.

6.20.1.13 NMAC 1978, Betterments and Replacements:

A. Betterments to assets should be capitalized. If the asset consists of identifiable and separately valued components, and a component is improved, the old component should be removed from the asset account, and the new component added to the asset account.

6.20.1.16 NMAC 1978, Annual Inventory:

D. The inventory process shall produce a list of the property and the date and cost of acquisition. The annual physical inventory checks against losses not previously revealed and bring to light errors in records of accountability, but more importantly, a systematic physical inventory of fixed assets provides an opportunity for surveying their physical condition, with respect to their need for repairs, maintenance or replacement.

E. The results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency. In the process of conducting their fieldwork, the state auditor or independent public accountant under a contract approved by the state auditor may test the correctness of the inventory by generally accepted auditing procedures

Condition: The fixed asset detail and inventory were not submitted to the governing council for annual certification.

This same condition existed in the prior year.

Cause: As this isn't a procedure that the School has performed in the past and it went through a transition to a new Director at year-end, the inventory was not presented to the Council for formal action.

Effect: This leaves the school in non-compliance with state statutes.

Auditors' Recommendations: We recommend that the school emphasize the importance of adherence to State guidelines in regards to capital assets.

Responsible Official's Plan:

- Specific corrective action plan for finding: Management will submit to the governing council for annual certification a detailed list of fixed assets and will adhere to state guidelines regarding capital assets.
- Timeline for completion of corrective action plan: FY 2015-2016
- Employee position(s) responsible for meeting the timeline: Doug Moser and Debbie Martinez

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Section II – Financial Statement Findings – Taos Charter School (Continued)

FS 2015-001 TCS – Budgetary Controls (Non-Compliance)

Criteria: According to 22-8-11 B. NMSA 1978:

B. No School district or state-chartered school or officer or employee of a school district or state-chartered school shall make any expenditure or incur any obligation for the expenditure of public funds unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department’s rules and procedures.

Condition: The School incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund #	Fund Description and Function	Amount
11000	Operational - Support Services - General Administration	\$ 233
31700	Capital Improvements - SB-9 - Capital Outlay	<u>101,942</u>
	Total	<u><u>\$ 102,175</u></u>

Cause: The School did not properly review all budgets and make adjustments prior to year end.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

Auditor’s Recommendation: We recommend that the School adhere to their policy of obtaining budgets and maintaining those budgets during the year as prescribed by State statutes.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **Taos Charter School will closely review operating budgets and spending practices to ensure that we adhere to budgetary policies and state statutes for the current and future fiscal years.**

- Timeline for completion of corrective action plan: **Completed and ongoing**

- Employee position(s) responsible for meeting the timeline: **Doug Moser, Debbie Martinez, and Domingo Sanchez, III**

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Schedule XI

Section II – Financial Statement Findings – Friends of Taos Charter School

FS 2015-001 FTCS – Lack of Supporting Documentation for Disbursements and Receipts (Significant Deficiency)

Criteria: Good accounting and internal control procedures dictate that sufficient supporting documentation should exist for all disbursements of goods. Additionally, sufficient supporting documentation should exist for all receipts of funds as well. These documents and procedures provide for good controls to prevent theft, fraud, or misuse of entity assets.

Condition: During our testing of cash disbursements we noted the following deficiencies:

- In 14 of 20 items tested there was no receiving documentation to verify the goods and or services were received by the foundation. The value of these goods and services ranged from \$150.00 to \$1,540.00.
- In 2 of 20 items tested there was not enough information provided to verify controls. These amounts were \$57.00 and \$80.25.

During our testing of individually significant items we noted the following deficiencies:

- In 6 of 12 items tested there was no receiving documentation to verify the goods and services were received by the foundation. The value of these goods and services ranged from \$700.00 to \$38,540.48.

During our testing of receipts we noted the following deficiencies:

- In 7 of 9 items tested there was not adequate documentation available to verify timeliness of deposits.

Cause: Friends of Taos Charter School volunteers have not followed good accounting practices of maintaining sufficient supporting documentation for all disbursements, including indicating the individual who was responsible for receiving items purchased. The Foundation relies on volunteers to do all accounting procedures which make it more difficult to do things timely and properly.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Lack of receipts doesn't allow for proper review and verification of monies received and deposited. Not being in compliance with these requirements places the Foundation and the Council at risk for fraud or misuse of foundation funds

Auditor's Recommendation: We recommend that the Foundation work to establish some basic procedures to control what documents should be retained for all purchases, deposits, transfers, and relevant transactions. These documents and supporting documentation should be filed and stored properly so that they available to the auditor in future years which will make it easier to establish the propriety of the Foundation's actual controls.

Responsible Official's Plan:

- Specific corrective action plan for finding:
Instead of the President and the Treasurer sharing the responsibility for maintaining documentation for all purchases, deposits, transfers, and relevant transactions, we have established the position of BOOKKEEPER to be the ONE person that keeps all relevant documents.
- Timeline for completion of corrective action plan:
This position has already been established, and the corrective action plan is effective immediately.
- Position(s) responsible for meeting the timeline:
The position of BOOKKEEPER will be responsible for this new plan.

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Schedule XI

Section II – Financial Statement Findings – Friends of Taos Charter School (Continued)

FS 2015-002 FTCS – Improper Cash Controls (Significant Deficiency)

Criteria: Good accounting principles dictate that all transactions should be properly and accurately recorded, particularly when it comes to cash which is the most common asset to undergo theft or embezzlement. Account balances must be properly reviewed and maintained.

Cause: During our review of cash procedures we identified the following issues:

- The Foundation established a brokerage account in January 2015 where it transferred \$75,000 from its bank account to the brokerage account. The Foundation made subsequent deposits and withdrawals to/from this account through the remaining six month of the year, ending with a balance of \$88,219. The largest balance obtained at a month-end was \$100,747. However, these transactions were treated as expenditures in the books of record. The brokerage account was not listed as a cash or investment account in the records provided to the auditor.
- In June 2015, the Foundation overdrew its Centinel Bank account by approximately \$1,400, resulting in two overdraft fees of \$35 each, one of which was refunded by the bank.

Effect: General ledger accounts and reports which would have been generated by the system would have been misleading and improper. Maintaining up to \$100,000 of cash/investments off the books for six months of the year provides for great opportunities of theft, fraud, or misuse of funds. At the same time while maintaining the large brokerage account the Foundation was overdrawing its normal checking account. Council members could not receive accurate information during this entire period of time.

Auditors' Recommendation: We recommend that the Foundation set up procedures to make sure all assets of the organization, especially cash be maintained properly in the accounts of record. When transactions occur between cash and investment accounts, those transactions should be properly recorded so that council members will have an accurate representation of the transactions and position of the Foundation in any financial reports it receives.

Responsible Official's Plan:

- Specific corrective action plan for finding:
The new position of Bookkeeper will keep a monthly general ledger accounting and provide a report of such at every monthly meeting. Cash and investment accounts will be properly recorded, and account balances reviewed regularly.
- Timeline for completion of corrective action plan:
Effective immediately
- Employee position(s) responsible for meeting the timeline:
The Bookkeeper will be responsible for meeting this timeline, and the President will verify that proper procedures are in order.

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Section II – Financial Statement Findings – Friends of Taos Charter School (Continued)

FS 2015-003 FTCS – Improper Filing of Federal Information Returns (Significant Deficiency)

Criteria: Federal Internal Revenue Service (IRS) rules require that all non-profit organizations file an annual 990 Information Return. This information return allows the IRS to review the annual transactions of an organization. These informational returns are required in order for non-profit organizations to maintain their tax exempt status.

Cause: During our review of Foundation records during the year, it came to our attention that the IRS claimed that the Foundation had not filed its required information returns for the past three years, resulting in the proposed revocation of the not-for-profit status of the Foundation.

The Foundation maintains that all informational returns were mailed properly but had mailed all returns by regular mail and could provide no proof to the IRS that those returns had been filed and filed timely.

Effect: The revocation of the non-profit designation for the Foundation would be devastating on the operations and goals of the Foundation. Making all transactions subject to taxation would have a significant negative affect on the Taos Charter School and all the students and staff it serves. The Foundation had to pay a penalty of \$850 for these late filings.

Auditors' Recommendation: We recommend that the Foundation set up procedures to make sure all informational returns are filed timely. We would recommend that those returns be formally reviewed in a Foundation meeting and approved for transmittal by the council. We would recommend that all future filings of informational returns be done certified, return receipt requested to track when returns are filed and received by the IRS. Therefore, if the IRS later claims that returns were not filed that the Foundation has documented proof of its compliance with Federal requirements.

Responsible Official's Plan:

- Specific corrective action plan for finding:
We will follow the auditors' recommendation that yearly tax returns, due November 15 following end of fiscal year, are prepared in October and formally reviewed at our October monthly meeting before submittal by November 15th. Tax returns will be sent by certified, return receipt requested mail for tracking purposes.

- Timeline for completion of corrective action plan: :
Effective immediately. Current year (2015) taxes have been prepared, reviewed by the Board, and already sent by certified, return receipt requested mail

- Employee position(s) responsible for meeting the timeline:
The Bookkeeper and Treasurer will ensure that tax returns are prepared by mid-October, reviewed by Board at October meeting, and sent before November 15th.

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Section II – Financial Statement Findings – Vista Grande High School

FS 2012-001 [V-12-01] – Inactive Funds – (Non Compliance) Repeated and Revised

Criteria: Good accounting policy indicates that funds that are no longer being used should be adjusted to a zero balance, closed out, and no longer used.

Condition: During our review of the Vista Grande’s trial balance, we noted several funds which are carrying balances forward from year-to-year, but are no longer active funds of the School:

Fund	Amount
2010 GO Bonds Student Library Funds (SB1) (27106)	\$ (2,021)
Technology for Education (27145)	1,529
School Library Material Fund FY08 (27549)	304
Private Direct Grants (29102)	44
Total	<u>\$ (144)</u>

During the previous year the same situation was present with the same funds and amounts.

Cause: The School has funds on its books which are no longer active funds, but these funds have never been truly closed out. The School has not taken the time to request from the Public Education Department the authority to transfer cash from three of the funds to close them out and transfer cash from the Operational fund to close out the fund with the negative cash balance.

Effect: The funds remain on the books without any activity. The cash balances are inactive, be they positive or negative. These funds cause additional issues for reporting procedures and will have no further activity.

Auditors’ Recommendations: We recommend that the School close out these four remaining inactive funds and determine whether funds need to be returned to the grantor or transferred to the general fund. In the case where the fund has a deficit balance, the School needs to transfer funds from the Operational Fund to cover the deficit.

Responsible Official’s Plan:

- Specific corrective action plan for finding: VGHS will close out the remaining inactive funds and work with the budget analyst to determine what funds need to be returned or transferred. Funds will need to be transferred from the Operational Fund to cover any deficits.
- Timeline for completion of corrective action plan: To be completed by 12/31/2015
- Employee position(s) responsible for meeting the timeline: Business Manager

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Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2013-005 [V-13-05] – Budgetary Controls (Significant Deficiency) Repeated and Revised

Criteria: According to 22-8-11 B. NMSA 1978:

B. No School district or state-chartered school or officer or employee of a school district or state-chartered school shall make any expenditure or incur any obligation for the expenditure of public funds unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department’s rules and procedures.

Condition: Vista Grande High School incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund & Function	Amount
14000 Operational –Instruction	\$ 4,355
31100 Bond Building Fund – Capital Outlay	<u>223,972</u>
Total	<u>\$ 228,327</u>

Additionally, the School has an allocation for rent assistance which is budgeted in the Public School Capital Outlay Fund (31200). However, the School has not been properly recording its rent expenditures related to its allocation in this fund. All rent costs have been showing in the general ledger out of the Operational Fund. The School has also been slow in requesting the funds at year-end to cover the final quarter’s rent allocation associated to this fund.

In the previous year, the School had excess expenditures in four functions within three funds for a total of \$88,576. It had expenditures out of one fund for which it hadn’t obtained any budgetary authority before expending existing cash in the fund. Additionally, the school had not been properly recording its rent costs to the 31200 Fund and maintaining cash balances appropriately in this and the Operational Fund, which was paying all rent costs.

Cause: Vista Grande High School failed to obtain an operating budget for either the Instructional Materials Fund or the Bond Building Fund. As such, these funds exceeded budgetary authority in the entirety of the fund as well. Additionally, the Business Manager was not aware of how to record rent costs to the Public School Capital Outlay Fund.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending did occur. While the School had appropriated money in both of these funds, it is incumbent on the School that it obtains a legal budget before spending funds. Additionally, with regards to the allocation of rent between funds, when the proper funds are not charged for budgeted rent costs, both funds have inappropriate budget and cash balances which make reports on these funds inaccurate as to actual cash and budgetary balances.

Auditor’s Recommendation: We recommend that the school adhere to their policy of obtaining budgets and maintaining those budgets during the year as prescribed by State statutes. The Instructional Materials Fund is part of the General Fund and is a fund for which the School will receive funding every year. The School is also receiving designated funds from the special bond funds. However, it is critical that the School gain an approved budget for both funds every year and not spend the appropriated dollars until it obtains that budget.

With regards to rental costs, the School should properly record the share of rental costs to the Public School Capital Outlay Fund each month and maintain the proper cash balances in it and the Operational Fund so that all reports for the Council and the State are accurate. This will also work as a reminder to obtain reimbursement from the State in a timely manner for the funds expended in Fund 31200 for rent costs.

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Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2013-005 [V-13-05] – Budgetary Controls (Significant Deficiency) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: : VGHS will adhere to policy by obtaining budget authority and maintaining those budgets throughout the year. Appropriated funds will not be spent until budgets are obtained and expenditures will be recorded properly in the correct fund to maintain proper cash balances in each fund. Reimbursement from the State will be made on a quarterly basis.

- Timeline for completion of corrective action plan: Corrective action will start immediately. Reimbursement will be requested quarterly from the State.

- Employee position(s) responsible for meeting the timeline: Business Manager

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Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-042 - Improper Recording of Journal Entries (Significant Deficiency) Repeated and Revised

Criteria: According to 6-5-2C NMSA 1978, “state agencies shall implement accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.”

6.20.2.10 NMAC 1978, Budget Maintenance Standards:

A. Budget adjustment requests shall be submitted on the most current form prescribed by the department. The school district shall maintain a log of all budget adjustment requests to account for status, numerical sequence, and timely approval at each level. The log is to be retained for audit purposes.

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. The department must take action on budget adjustment requests within 30 calendar days from the date of receipt by the department or such requests will otherwise be considered approved. 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.

Good accounting procedures require that all manual journal entries should have proper supporting documentation and be reviewed by at least two individuals who should sign and date the journal entry. This should be performed in order to detect errors and to prevent improper movement of funds. This provides an internal deterrent to errors, fraud, and misappropriation of assets.

Condition: During our review of manual journal entries, we noted the following instances in which proper procedures were not followed:

- In 4 of 12 journal entries reviewed there was no documentation to verify why the entry had been made.
- In 1 of 12 journal entries reviewed there is no function code listed in the journal entry.

In the prior year's audit there was no documentation to support any of the 10 journal entries reviewed.

During our review of budget journal entries we identified the following instances in which proper procedures were not followed:

- Budget adjustments were not made throughout the year to maintain proper budgets. All adjustments made at 6/30/2015 per Business Manager which doesn't provide for accurate reporting to the Director or Council.
- Two budget adjustments approved by the Council and Public Education Department (PED) were never entered into the system.
- System was unable to provide a date for entry into the system to verify that entry didn't occur prior to Council or PED approval.

Cause: The school did not provide adequate documentation to support its journal entries. Proper supporting documentation should exist to support the journal entry so that if the individual who initially entered the journal entry is not there, another person can review the documentation and understand the journal entry and the reason for it..

Effect: School personnel have not followed state guidelines or internal procedures in the recording of journal entries. Good accounting procedures require appropriate documentation to support journal entries.

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TAOS MUNICIPAL SCHOOL DISTRICT
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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-042 - Improper Recording of Journal Entries (Significant Deficiency) Repeated and Revised (continued)

Auditor's Recommendation: We recommend that management record all journal entries properly, maintain proper supporting documentation, and ensure that all adjusting journal entries are reviewed by a second individual as they have been doing in this past year.

Responsible Official's Plan:

- Specific corrective action plan for finding: All Journal Entries will include documentation verifying why the entry was made. All entries will be reviewed and approved by the Director.
- Timeline for completion of corrective action plan: November 6, 2015
- Employee position(s) responsible for meeting the timeline: Business Manager

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-045 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statues include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our testing of cash disbursements we noted the following instances in which proper procedures were not followed:

- In 2 of 25 items reviewed the purchase order was created after the goods or service was purchased. The value of these purchases ranged from \$65.85and \$174.53.

In the previous year’s audit there were 8 instances in which there was not a valid purchase order in place prior to the purchase of goods or services. Additionally, in the prior year there was no receiving documentation for 8 of the 25 items tested.

During our review of individually significant items we noted the following instances in which proper procedures were not followed:

- In 2 of 41 items reviewed the purchase order was created after the goods or services were purchased. The value of these 2 items were \$5,842.13 and \$6,623.85.

In the previous audit there was one instance in which proper payment authorization had not been obtained.

During our review of travel and per diem we noted the following instance in which proper procedures were not followed:

- In 1 of 15 items reviewed the purchase order was created after a trip for training was taken instead of before. The value of this purchase was \$82.24.

In the previous audit there were 4 instances in which the purchase order was created after the goods or services were received.

During the current year, the School had implemented proper receiving procedures for all items.

Cause: School personnel have not followed state guidelines or internal procedures in the purchase of items. PED procedures clearly state that the school have a signed purchase order in place prior to the order of any goods or services. State guidelines require that goods and services received by the school have appropriate receiving documentation

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the school and the board at risk for fraud or misuse of public funds

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-045 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, school and state policy in regards to purchasing of goods, services, or construction. All school personnel need to be aware that a purchase order must be approved prior to payment authorization.

Responsible Official's Plan:

- Specific corrective action plan for finding: All staff will be trained and reminded to follow school and state policy when purchasing services, goods or construction. Purchase orders are to be in place before receiving services or goods, proper receiving procedures with documentation will be adhered to, before payment authorization is made.

- Timeline for completion of corrective action plan: Training will take place annually with employees signing off on VGHS Purchasing Procedures annually.

- Employee position(s) responsible for meeting the timeline: Business Manager

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-046 – Timeliness of Deposits and Receipt of Revenues (Non-Compliance) Repeated and Revised

Criteria: NMAC 6.20.2.14 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

F. The school district shall establish a cash control ledger for each fund/subfund. Inter-fund transfers of cash among separate and distinct funds are not receipts or expenditures. Permanent transfers of previously receipted cash require local board and SIDE approval prior to the transfer. All other types of cash transfers require only local board approval.

(1) Temporary transfers of cash are to be posted as "due from" and "due to" to indicate inter-fund receivables and payables.

(2) Posting errors are not to be erased, crossed out, or in any other manner eliminated from the ledger. A separate entry is required to incorporate necessary corrections. Cross-referencing of a correcting entry to the original error should be inserted under the "description" column of the ledger.

Condition: During our review of receipts, we noted the following instances in which proper procedures were not followed:

- In 2 of 14 items tested monies received were not deposited within 24 hours of receipt
 - \$25.00 was received on 8/19/14 and was deposited on 8/26/15
 - \$369.86 was received on 1/16/15 and was deposited on 1/21/15
- In one instance revenue was posted in the wrong account code. The amount of this deposit was \$150.00

In the previous year audit the school had 4 instances in which deposits were not made timely. Additionally, in the previous year 11 of the 25 items tested did not have a receipt issued for the monies as is required by statute.

During the current year, all monies which we tested had been properly receipted.

Cause: The school did not deposit the funds within 24 hours after receipt as required by statute. Individuals had not made sure that funds received were given to the Business Manager in a timely manner for depositing.

Effect: Non-adherence to state statutes places the school in noncompliance and lack of timeliness of deposits could subject the school to a possible occurrence of theft or fraud.

Auditors' Recommendations: We recommend that the school emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The school should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible.

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-046 – Timeliness of Deposits and Receipt of Revenues (Non-Compliance) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: Administrative staff will be trained in the importance of timely deposits of all receipts to be in compliance of state statutes. We will also cross train staff to insure that more than one individual can make deposits.

- Timeline for completion of corrective action plan: Training took place 11/5/2015 for two additional admin staff, pertaining to the timeliness of deposits and the procedure for receiving and issuing receipts, and making bank deposits.

- Employee position(s) responsible for meeting the timeline: Business Manager

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2014-050 – Accrued Compensated Absences (Significant deficiency) Repeated and Revised

Criteria: 6.20.2.18 NMAC states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Additionally, according to Vista Grande’s collective bargaining agreement, school employees can accrue a maximum of 45 days leave.

Condition: During our review of accrued compensated absences we noted the following deficiencies:

- Reports issued by the system provide different accruals, usages, and balances for individuals depending on the report. The School could not verify to us that all accruals were proper and accurate. It appeared that some employees’ accruals were accurate and other employees’ accruals were not accurate.

During the previous year’s audit, one employee had a balance in excess of stated policies, and five employees were not accruing leave in accordance with the CBA agreement.

The School did change its policies during the year so that all employees would be set up to accrue the proper number of days according to policy. It is just unsure as to if the system is properly maintaining those accruals.

Cause: The School’s financial system which tracks accruals, APTA, was providing differing balances, usages, and accruals depending on the report written. The Business Manager has not had enough training on the system to be able to answer our questions and provide explanations for the discrepancies in some employee’s balances of accrued leave.

Effect: The District is in a violation of NMAC 6.20.2.18 and is not following internal policies in the accrual of annual leave and is not sure if the leave is being accrued and maintained properly for all employees.

Auditor’s Recommendation: We recommend that the School provide additional training to its Business Manager in the operation of the APTA system so that she is better trained in all areas of the financial management system which the School is using. Additionally, the School needs to identify why different reports provide different balances for employees. This issue must be taken up with APTA to identify if it is a system issue or simply a training issue in understanding what each report is reporting or if the system actual provides different accruals which may be misinterpreted depending on the report run.

Responsible Official’s Plan:

- Specific corrective action plan for finding: The Business Manager has worked extensively with APTA Support to identify system and user issues within the employee leave module. VGHS has a complete and accurate accounting of accruals of annual leave, and leave taken for every employee.

- Timeline for completion of corrective action plan: Ongoing

- Employee position(s) responsible for meeting the timeline: Business Manager

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Schedule XI

Section II – Financial Statement Findings – Vista Grande High School (Continued)

FS 2015- 001 VGHS – Late Payment of Employer Contributions (Non-Compliance)

Criteria: According to 2.80.500.8 NMAC 1978:

A. In accordance with the Public Employees Retirement Act each state agency or affiliated public employer shall be responsible for deducting the applicable contribution from the salary or wages paid to each member for each payroll period.

B. The employer shall transmit to PERA the member and employer contributions for every member in its employ for each pay period on or before the fifth working day following the payday applicable to the pay period. The contributions shall be accompanied by a transmittal report in a format designated by PERA, which shall clearly set forth the amount of employer and member contributions, and adjustments for prior pay periods if applicable, transmitted.

C. Except as provided in subsection H below, interest will be assessed on any remittance of employee and employer contributions not made by the due date of the remittance. The rate of interest shall be set annually by the board at a July meeting and shall be effective beginning the next succeeding January 1st. Any interest paid on unremitted contributions shall not be posted to the member's account or refunded to the member or the employer.

D. Except as provided in subsection H below, a penalty of fifty dollars (\$50) per day shall be assessed for any employee and employer contribution transmittal report that is untimely. For purposes of this subsection, "untimely" is defined as fifteen (15) days after the end of the month in which the transmittal report was due

Condition: During our review of ERB contributions we noted the following instance in which proper procedures were not followed.

- In 1 of 4 months reviewed payments were not issued by the 15th of the following month. \$234.51 was issued on 8/19/15, four days after the required deadline.

Cause: The rates changed for the 2014-2015 fiscal year. However, Vista Grande had not made the appropriate changes to its system to reflect the increased rates for both employees and employers. Therefore, when it distributed its July withholdings in August, it actually submitted fewer funds than were required. When the School became aware of this issue, it immediately submitted additional funds to the ERB Board; however, this was past the required deadline for the July withholding requirements.

Effect: The school's late payment subjects the school to possible late fees and puts them in non-compliance with state guidelines.

Auditor's Recommendation: We recommend that Vista Grande ensure that ERB rates are properly established in the system at the beginning of each year and that contributions are mailed prior to the 15th of the month in which the payment is due.

Responsible Official's Plan:

- Specific corrective action plan for finding: VGHS will ensure that ERB rates are correct in the financial system at the beginning of each fiscal year and that contributions are completed by the 15th of the month.
- Timeline for completion of corrective action plan: Corrective action took place in August 2015
- Employee position(s) responsible for meeting the timeline: Business Manager

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Schedule XI

Section III – Federal Awards Findings

FA 2014-001– Indirect Costs Charged Exceeded Allowable Rate and Charged on Capital Asset (Non-Compliance) Repeated and Revised

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: Title I IASA, IDEA-B Entitlement and IDEA-B Preschool
CFDA Number: 84.010, 84.027 and 84.173
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: According to A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require matching of reports submitted to supporting documentation. Additionally, OMB Circular A-87 Cost Principle for State, Local and Indian Tribal Governments establishes principles and standards for determining allowable direct and indirect costs for Federal Awards.

According to OMB Circular A-87 15.b

- (2) Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior approval of the awarding agency.
- (5) Equipment and other capital expenditures are unallowable as indirect costs....

Condition: During our review of indirect costs and related documentation, we identified three funds which had exceeded their allowed indirect costs. The District's allowable indirect cost percentage from the PED for FY 14-15 is 3.41%. Fund 24101 had indirect costs of 3.48%. Fund 24106 had indirect costs of 3.44%. Fund 24109 had indirect costs of 3.43%. The District exceeded the indirect cost rate resulting in an overcharge of \$431.00, \$247.00, and \$3.00, respectively.

Additionally, we identified one capital expenditure of \$7,120.00 in the Title I IASA fund which had indirect costs charged against it in violation of the above statute. The indirect costs associated with this were \$243.00.

In the prior year's audit there were 2 funds which had exceeded their allowed indirect costs. The questioned costs were \$20.32.

Questioned Costs: \$924.00

Cause: District personnel did not ensure that the correct indirect cost percentages were applied to Federal funds and did not modify the indirect costs to exclude capital asset purchases.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for the questioned costs.

Auditor's Recommendation: The District should institute a process where indirect costs are reviewed to insure proper charges are allocated to its Federal funds. A simple Excel program can be used to verify charges don't exceed allowable rates. The template should provide for the exclusion of all indirect cost charges and all capital asset expenditures. Capital assets include items in excess of \$5,000. However, the District should be aware that the state considers the purchase of computers for a lab setting a single asset and not individual items of a cost under \$5,000.

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2014-001– Indirect Costs Charged Exceeded Allowable Rate and Charged on Capital Asset (Non-Compliance) Repeated and Revised (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will implement a process where indirect cost calculations are reviewed for accuracy before any expenditure charges are made to any fund

- Timeline for completion of corrective action plan: October 2015

- Employee position(s) responsible for meeting the timeline: Finance Director

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2014-002 – Disallowed Expenses Not Moved to Operational Fund (Non-Compliance) Repeated and Revised

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: School Breakfast Program and National School Lunch Program
CFDA Number: 10.553/10.555
Passthrough: New Mexico Department Public Education Department
Award Year: 2015

Criteria: According to A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require matching of reports submitted to supporting documentation

Condition: During our review of federal receipts we noted the following instances in which proper procedures were not followed:

- A purchase of \$725.70 for fund 21000 was disallowed. This disallowed expense was not transferred to the operational fund.

In the prior year's audit there were 3 instances in which disallowed expenditures in two funds were not moved to the Operational Fund. The questioned costs were \$560.45.

Questioned Costs: \$725.70

Cause: District personnel did not make the proper adjustments to transfer the disallowed expenditures properly. They have kept the expenditures as a cost to the respective Federal fund instead of moving these expenses to the Operational Fund.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program.

Auditor's Recommendation: The District should ensure that all disallowed expenditures are removed from the affected Federal funds. The process should require that once the District is informed that its expenditure is disallowed that a journal entry is created to move disallowed expenditures to the Operational Fund.

Responsible Official's Plan:

- Specific corrective action plan for finding: Once an expenditure has been disallowed by the Public Education Department, the District will generate a journal entry to move the expense to the operational fund if applicable.
- Timeline for completion of corrective action plan: July 2015
- Employee position(s) responsible for meeting the timeline: Finance Director and Financial Specialist filing RFR's.

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Schedule XI

Section III – Federal Awards Findings (Continued)

**FA 2014-003 – Improper Maintenance of Personnel Activity Reports and Licensing (Non-compliance)
Repeated and Revised**

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: IDEA-B Entitlement
CFDA Number: 84.027
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: According to OMB Circular-87:

- 3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared **at least semi-annually** and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.
- 4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:
 - a) **More than one Federal award,**
 - b) **A Federal award and a non-Federal award,**
 - c) An indirect cost activity and a direct cost activity,
 - d) Two or more indirect activities which are allocated using different allocation bases, or
 - e) An unallowable activity and a direct or indirect cost activity.
- 5) Personnel activity reports or equivalent documentation must meet the following standards:
 - a) They must reflect an after-the-fact distribution of the actual activity of each employee,
 - b) They must account for the total activity for which each employee is compensated,
 - c) **They must be prepared at least monthly and must coincide with one or more pay periods, and**
 - d) They must be signed by the employee.

Taos Municipal Schools have employees receiving compensation for SNA certification which must be proved by maintaining the certification in file.

Condition: During our review of payroll and related documentation we identified the following instances in which proper procedures were not followed:

- In 2 of 12 items reviewed we noted that the District did not keep certifications to verify time and effort for employees being paid out of IDEA-B Entitlement. One employee was required to maintain monthly time and effort records, and the other employee was required to maintain semi-annual time and effort certifications.
- In 3 of 12 items reviewed there was no certificate in file to prove the employee had a current SNA certification. The employee contract provided that the individual would be paid an additional stipend for the SNA certification. However, there was no way to verify that the employee had a current certification to justify the additional pay from the Federal fund.

In the prior year's audit the District did not keep any certifications for IDEA-B Entitlement employees. One employee paid from Title I IASA was supposed to have monthly time and attendance reports but was only doing certifications semi-annually.

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2014-003 – Improper Maintenance of Personnel Activity Reports and Licensing (Non-Compliance)
Repeated and Revised (continued)

Cause: District personnel were not keeping any certifications for time and effort for IDEA – B Entitlement or maintaining proper procedures as to extra compensation for certifications.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for undocumented payroll distributions. Additionally, the District is not following their internal policy with regards to employee contracts.

Auditor's Recommendation: We recommend that all individuals who manage Federal programs and those individuals who maintain employee records be trained on the requirements of personnel activity reports as they relate to payments using Federal funds. We also recommend that employee files be kept current on licensure and certifications.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will require employees who manage federal programs to see that personnel activity reports are being completed by all individuals that are being paid a portion or all of his/her fte from a federal program.

- Timeline for completion of corrective action plan: NOVEMBER 2015

- Employee position(s) responsible for meeting the timeline: Director of Instruction and Special Education Director

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-001 – Purchase Orders and Payment Authorization (Non-Compliance)

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: Title I School Improvement
CFDA Number: 84.010
Passthrough: New Mexico Public Education Department
Award Year: 2015

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: School Breakfast Program and National School Lunch Program
CFDA Number: 10.553 and 10.555
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: According to Education Department General Administrative Regulations (EDGAR) Section 80.36 Procurement

(a) *States:* When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) *Procurement standards.* (1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

Condition: During our review of cash disbursements we noted the following instances in which proper procedures were not followed:

- In 6 of 40 items reviewed the purchase order was created after the goods and or services were received. The value of these goods and services ranged from \$93.19 to \$9,552.91

Questioned Costs: None

Cause: District personnel have not followed state guidelines or internal procedures in the payment of services. Policy clearly states that the District must have a signed purchase order in place prior to ordering goods and or services.

Effect: Not being in compliance with these requirements places the District and the Board at risk of having Federal costs questioned and put other Federal funds in jeopardy.

Auditor's Recommendation: We recommend that all individuals who manage Federal programs be trained on the requirements of internal controls as they relate to purchase orders and contracts. No purchases should be initiated until a valid purchase order is in place.

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-001 – Purchase Orders and Payment Authorization (Non-Compliance) (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: All personnel that manage Federal programs have been trained on internal controls as they relate to purchase orders and contracts as well as employees district wide. The District will continue to educate all staff on procurement procedures and related internal controls

- Timeline for completion of corrective action plan: July 2015

- Employee position(s) responsible for meeting the timeline: Director of Finance, Certified Procurement Officer, all Administrators and Directors

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-002 – Procurement and Suspension and Debarment (Non-Compliance)

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: IDEA-B Entitlement and IDEA-B Results Plan
CFDA Number: 84.027
Passthrough: New Mexico Public Education Department
Award Year: 2015

Funding Agency: U.S. Department of Agriculture
Title: USDA School Breakfast Program, National School Lunch Program, Fresh Fruits and Vegetables
CFDA Number: 10.553, 10.555, 10.582
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: OMB Circular A-133:

I. Procurement and Suspension and Debarment

States, and governmental subrecipients of States, will use the same State policies and procedures used for procurements from non-Federal funds. They also must ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.

Local governments and Indian tribal governments that are direct recipients of Federal awards and their subrecipients will use procurement procedures that conform to applicable Federal law and regulations and standards identified in the A-102 Common Rule or OMB Circular A-110 (2 CFR part 215), as applicable.

Suspension and Debarment

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All nonprocurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/> (note: EPLS is no longer a separate system; however, the OMB guidance and agency implementing regulations still refer to it as EPLS), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Additionally, when awarding contracts under normal bidding procedures in excess of \$100,000, non-Federal entities should obtain information related to the entity to verify that it is not suspended or debarred or otherwise excluded from participating in the transaction.

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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-002 – Procurement and Suspension and Debarment (Non-Compliance) (continued)

Condition: During our testing of cash disbursements, we identified two vendors which would meet the requirement of verifying that the vendors were not suspended or debarred or otherwise excluded from receiving the contract which was funded through Federal dollars. These vendors were Labatt New Mexico and Apple, Inc. which received more than \$100,000 in payments from the District from Federal grant sources. These vendors are not currently suspended or debarred from receiving Federal contracts.

Questioned Costs: None

Cause: District personnel were unaware that they were required to verify that vendors which meet the \$25,000 or \$100,000 threshold are not suspended, debarred, or otherwise excluded from participating in contracts funded through Federal awards.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for improper grant distributions.

Auditor's Recommendation: We recommend that the District establish a policy and implement procedures regarding large purchases related to Federal grants to insure that no vendors who are suspended, debarred, or otherwise excluded from participating in transactions funded through Federal grants is used. As identified above, there are three methods in which the District can verify the vendors. With a vendor such as Labatt New Mexico, which the District does significant business with on a continual basis, having Labatt provide an annual certification that it is not currently suspended, debarred, or otherwise prevented from receiving Federal dollars may be a simple way of meeting the criteria. In other occasions in which a single purchase is going to be made, the purchasing procedures should include looking up the vendor on the GSA website, printing a copy of the verification, and placing it in the file with the purchase order. The District has options, and it should establish what method is the least intrusive but also effective in complying with the requirements of OMB Circular A-133.

Responsible Official's Plan:

- Specific corrective action plan for finding: The District will implement procedures to research vendors being considered for purchases exceeding the stated thresholds to determine if the vendor has been suspended, debarred or excluded from participating in transactions funded through Federal grants.
- Timeline for completion of corrective action plan: October 2015
- Employee position(s) responsible for meeting the timeline: Director of Finance, Special Education Director and Director of Instruction

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section IV – Prior Year Audit Finding

Primary Government

FS 2010-009 [10-09] – Depreciation Policy & Capital Assets – Repeated and Revised
FS 2010-021 [10-21] – Segregation of Duties Policy – Repeated and Revised
FS 2014-001 – Purchase Orders and Payment Authorization – Repeated and Revised
FS 2014-002 – Payment for Goods and/or Services not Completed Within 30 Days – Resolved
FS 2014-003 – Improper Purchase of High Grade Fuel – Repeated and Revised
FS 2014-004 – Incomplete Bidding Procedures and Purchases Requiring Quotations – Repeated and Revised
FS 2014-005 – Improper Recording of Journal Entries – Repeated and Revised
FS 2014-006 – Payroll Documentation and Federal Forms – Repeated and Revised
FS 2014-007 – Improper Withholding of Employee Contributions – Repeated and Revised
FS 2014-008 – Timeliness of Deposits and Recording of Deposits – Repeated and Revised
FS 2014-009 – Improper Procedures for Bid/RFP’s and Assigning Statutory Preferences – Repeated and Revised
FS 2014-010 – Federal Reporting Requirements - Resolved
FS 2014-011 – Late Filing of Audit Report - Resolved
FS 2014-012 – Improper Cash Controls and Cash Reconciliation – Repeated and Revised
FS 2014-013 – Improper Recording of Debt Revenues and Payments - Resolved
FS 2014-014 – Budgetary Controls – Repeated and Revised
FS 2014-015 – Background Checks and Licensure – Repeated and Revised

FA 2014-001 – Indirect Costs Charged Exceeded Allowable Rate –Repeated and Revised
FA 2014-002 – Disallowed Expenses Not Moved to Operational Fund – Repeated and Revised
FA 2014-003 – Improper Maintenance of Personnel Activity Reports – Repeated and Revised

Component Unit – Anansi Charter School

FS 2014-016 – Improper Recording of Journal Entries –Resolved
FS 2014-017 – Payroll – Federal Forms – Repeated and Revised
FS 2014-018 – Background Checks and Licensing –Repeated and Revised
FS 2014-019 – Payment in Excess of Contract - Resolved
FS 2014-020 – Purchase Orders and Payment Authorization – Repeated and Revised
FS 2014-021 – Payment for Goods and/or Services not Completed Within 30 Days – Repeated and Revised
FS 2014-022 – Improper Payment of Travel Advance – Repeated and Revised
FS 2014-023 – Timeliness of Deposits – Repeated and Revised
FS 2014-024 – Improper Procedures for Bid/RFP’s and Assigning Statutory Preferences - Resolved
FS 2014-025 – Annual Physical Inventory Certification - Resolved
FS 2014-026 – Late Filing of Audit Report – Resolved

Component Unit – Friends of Anansi Charter School

FS 2014-027 – Timeliness of Deposits and Receipt of Revenues -Resolved
FS 2014-028 – Late Filing of Audit Report - Resolved

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section IV – Prior Year Audit Finding (continued)

Component Unit – Taos Charter School

FS 2014-029 – Purchase Orders and Payment Authorization – Repeated and Revised
FS 2014-030 – Payment for Goods and/or Services not Completed Within 30 Days – Repeated and Revised
FS 2014-031 – Payroll – Federal Forms – Repeated and Revised
FS 2014-032 – Background Checks and Licensing – Repeated and Revised
FS 2014-033 – Improper Retention of Supporting Contracts – Repeated and Revised
FS 2014-034 – Improper Payment of Travel Reimbursement – Repeated and Revised
FS 2014-035 – Payment in Excess of Contract -Resolved
FS 2014-036 –Annual Physical Inventory Certification – Repeated and Revised
FS 2014-037 – Late Filing of Audit Report - Resolved

Component Unit – Friends of Taos Charter School

FS 2014-038 – Timeliness of Deposits and Receipt of Revenues – Resolved
FS 2014-039 – Backup of Computer Files – Resolved
FS 2014-040 – Late Filing of Audit Report - Resolved

Component Unit – Vista Grande High School

FS 2012-001 [V-12-01] – Inactive Funds – Repeated and Revised
FS 2013-004 [V-13-04] – Recording of Revenues and Expenditures Improperly – Resolved
FS 2013-005 [V-13-05] – Budgetary Controls – Repeated and Revised
FS 2014-041 – Improper Cash Controls Voided Warrants –Resolved
FS 2014-042 – Improper Recording of Journal Entries – Repeated and Revised
FS 2014-043 – Payroll – Federal Forms - Resolved
FS 2014-044 – Background Checks and Licensing - Resolved
FS 2014-045 – Purchase Orders and Payment Authorization – Repeated and Revised
FS 2014-046 – Timeliness of Deposits and Receipt of Revenues – Repeated and Revised
FS 2014-047 – Payment for Goods and/or Services not Completed Within 30 Days - Resolved
FS 2014-048 – Improper Procedures for Bid/RFP’s and Assigning Statutory Preferences – Resolved
FS 2014-049 – Annual Physical Inventory Certification - Resolved
FS 2014-050 – Accrued Compensated Absences – Repeated and Revised
FS 2014-051 – Federal Reporting Requirements - Resolved
FS 2014-052 – Late Filing of Audit Report - Resolved

STATE OF NEW MEXICO
TAOS MUNICIPAL SCHOOL DISTRICT
OTHER DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2015

Auditor Prepared Financial Statements

Manning Accounting and Consulting Services, LLC prepared the GAAP-basis financial statements and footnotes of Taos Municipal School District from the original books and records provided to them by the management of the District. 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. The responsibility for the financial statements remains with the District.

Exit Conference

The contents of this report were discussed February 9, 2015. The following individuals were in attendance.

Taos Municipal School District

Dr. Lillian Torrez, Superintendent
James Sanborn, Board Vice-President
Whitney Goler, Board Member
Bobby Spinelli, Finance Director
Evangeline Romero, Community Member
Monica Martinez, Financial Specialist
Maya Romero, Finance Department
Esther Winter, Director of HR/Transportation

Manning Accounting and Consulting Services, LLC

Byron R. Manning, CPA, Partner

Anansi Charter School

Dawn Kittner, Governing Council Secretary
Domingo Sanchez, Business Manager - teleconference
Michele Hunt, Director

Friends of Anansi Charter School

Serena Brown, Member
Domingo Sanchez, Business Manager -teleconference

Taos Charter School

Douglas Moser, Director
Sanya Struck, Council Member Treasurer
Domingo Sanchez, Business Manager -teleconference

Friends of Taos Charter School

Roberta Lerman, President

Vista Grande High School

Isabelle St. Onge, School Director
Annette Bowden, Business Manager
Brian Greer, Board President