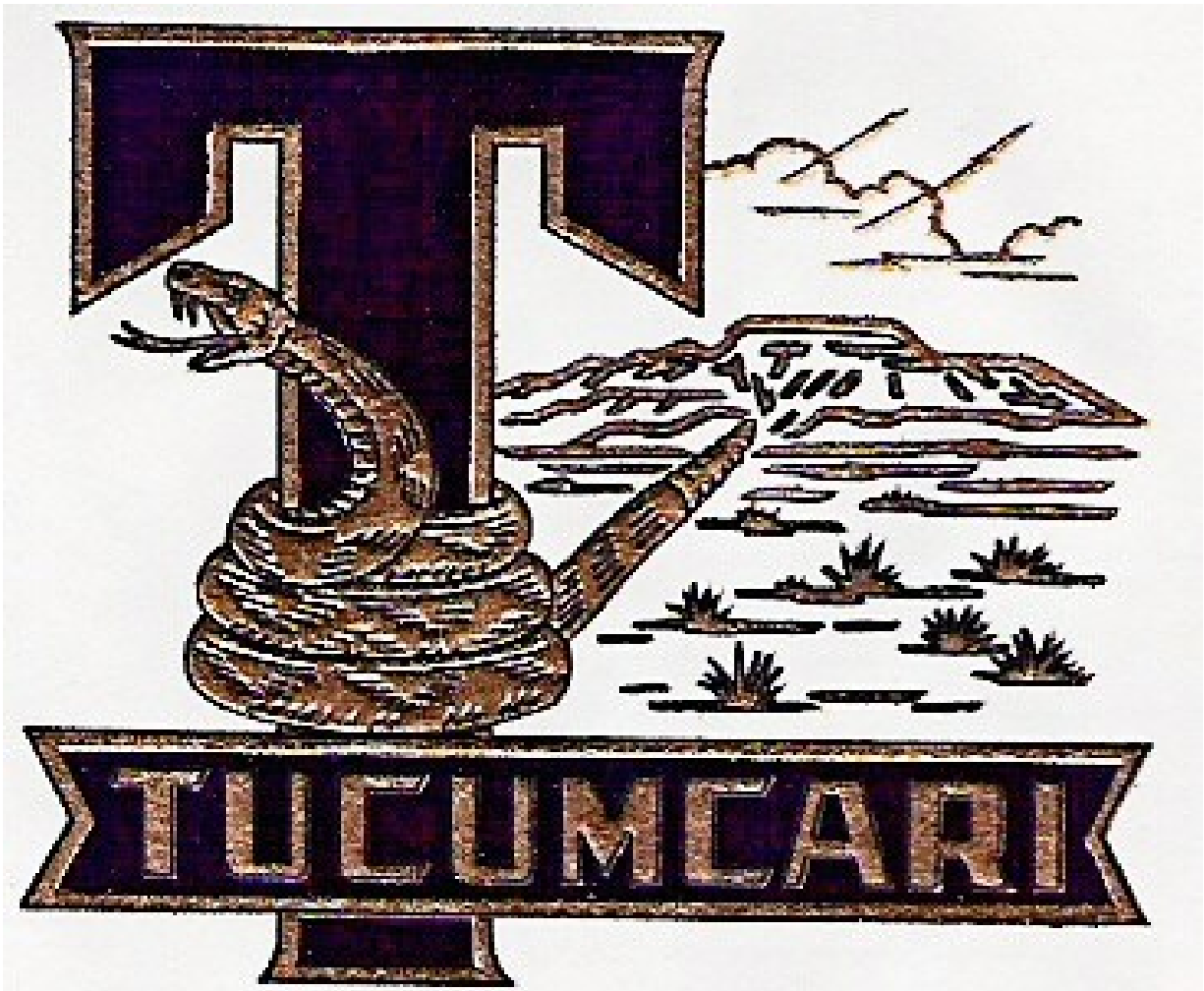


STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2014



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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
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**STATE OF NEW MEXICO**  
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**TUCUMCARI PUBLIC SCHOOLS**  
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**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**OFFICIAL ROSTER**  
**FOR THE YEAR ENDED JUNE 30, 2014**

<u><b>Name</b></u>		<u><b>Title</b></u>
	<u><b>School Board</b></u>	
Carlos Romero		President
Joe Barnett		Vice-President
Marion Payton		Secretary
Leif Gray		Member
Chris Burch		Member
	<u><b>District Officials</b></u>	
Aaron McKinney		Superintendent
Dave Johnson		Assist. Superintendent
Leola Patterson		Business Manager

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**FINANCIAL SECTION**



# Manning Accounting and Consulting Services, LLC

## INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas, New Mexico State Auditor  
The Office of Management and Budget  
And the Board of Education of  
Tucumcari Public Schools  
Tucumcari, New Mexico

### Report on Financial

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Tucumcari Public Schools, (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparison for the major debt service fund 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, 2014 as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the District as of June 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparisons for the debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Management has omitted the Management'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.

### *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, the combining financial statements, 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 Supporting 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 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 05, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Manning Accounting and Consulting Services, LLC*

Manning Accounting and Consulting Services, LLC  
Kirtland, New Mexico  
November 05, 2014

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**BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF NET POSITION  
JUNE 30, 2014

Exhibit A-1

	<b>Governmental Activities</b>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 2,066,332
Receivables (net of allowance for uncollectibles)	529,380
Inventory	49,428
<i>Total current assets</i>	<u>2,645,140</u>
<i>Noncurrent assets</i>	
Capital assets (net of accumulated depreciation):	
Land and land improvements	694,803
Buildings and building improvements	57,952,681
Furniture, fixtures and equipment	3,709,959
Vehicles	1,632,581
Construction in progress	117,155
Less: accumulated depreciation	<u>(28,406,754)</u>
<i>Total noncurrent assets</i>	<u>35,700,425</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on advance refunding of debt	<u>-</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 38,345,565</u>
<b>LIABILITIES</b>	
<i>Current liabilities</i>	
Accounts payable	\$ 58,689
Accrued payroll liabilities	123,947
Accrued interest payable	50,957
Current maturities of:	
Bonds payable	585,000
Compensated absences	37,706
<i>Total current liabilities</i>	<u>856,299</u>
<i>Noncurrent liabilities:</i>	
Bonds payable	3,975,000
Compensated absences	<u>-</u>
<i>Total noncurrent liabilities</i>	<u>3,975,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue	<u>-</u>
<b>NET POSITION</b>	
Invested in capital assets	31,140,425
Restricted for:	
Debt service	808,146
Capital projects	283,037
Other purposes - special revenue	270,343
Unrestricted	<u>1,012,315</u>
<i>Total net position</i>	<u>33,514,266</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 38,345,565</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

Exhibit A-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>	
<b>Primary Government</b>					
Governmental activities:					
Instruction	\$ 6,833,291	\$ 85,834	\$ 1,186,955	\$ -	\$ (5,560,502)
Support services:					
Students	887,091	-	204,842	-	(682,249)
Instruction	223,165	-	5,756	-	(217,409)
General administration	557,299	-	-	-	(557,299)
School administration	518,680	-	5,000	-	(513,680)
Other	43,772	-	-	-	(43,772)
Central services	304,074	49,387	-	-	(254,687)
Operation & maintenance of plant	1,122,446	8,002	-	-	(1,114,444)
Student transportation	502,962	-	538,849	-	35,887
Food services operation	615,384	29,840	586,076	-	532
Community services	-	-	-	-	-
Interest on long-term debt	125,586	-	-	-	(125,586)
Facilities materials, supplies, & other services	456,513	-	-	106,121	(350,392)
Depreciation - unallocated	153,267	-	-	-	(153,267)
Total Primary Government	<u>\$ 12,343,530</u>	<u>\$ 173,063</u>	<u>\$ 2,527,478</u>	<u>\$ 106,121</u>	<u>(9,536,868)</u>

**General Revenues:**

Property taxes:	
Levied for general purposes	42,795
Levied for debt service	708,327
Levied for capital projects	198,304
State Equalization Guarantee	8,298,624
Unrestricted investment earnings	7,010
Loss on disposal of fixed assets	-
Miscellaneous	5,122
Total general revenues	<u>9,260,182</u>
Change in net position	<u>(276,686)</u>
Net position - beginning of year	<u>34,363,700</u>
Restatement	<u>(572,748)</u>
Net position - beginning of year, restated	<u>33,790,952</u>
Net position - ending of year	<u>\$ 33,514,266</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014

Exhibit B-1

	Operational Fund			
	General 11000	Student Transportation 13000	Instructional Materials 14000	Debt Service 41000
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ 876,654	\$ -	\$ 12,558	\$ 762,970
Accounts receivable				
Taxes	2,621	-	-	45,176
Due from other governments	-	-	-	-
Interfund receivables	328,991	-	-	-
Other	5,847	-	-	-
Inventory	-	47,296	-	-
<i>Total assets</i>	<u>1,214,113</u>	<u>47,296</u>	<u>12,558</u>	<u>808,146</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	48,210	832	-	-
Accrued payroll liabilities	123,947	-	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>172,157</u>	<u>832</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	936	-	-	15,691
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>936</u>	<u>-</u>	<u>-</u>	<u>15,691</u>
<b>FUND BALANCES</b>				
Nonspendable	-	47,296	-	-
Restricted for:				
Transportation	-	-	-	-
Instructional materials	-	-	12,558	-
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	792,455
Assigned	-	-	-	-
Unassigned	1,041,020	(832)	-	-
<i>Total fund balances</i>	<u>1,041,020</u>	<u>46,464</u>	<u>12,558</u>	<u>792,455</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,214,113</u>	<u>\$ 47,296</u>	<u>\$ 12,558</u>	<u>\$ 808,146</u>

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



**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2014**

	Other Governmental Funds	Total Primary Government
<b>ASSETS</b>		
<i>Current assets:</i>		
Cash and temporary investments	\$ 414,150	\$ 2,066,332
Accounts receivable		
Taxes	12,705	60,502
Due from other governments	463,031	463,031
Interfund receivables	-	328,991
Other	-	5,847
Inventory	2,132	49,428
<i>Total assets</i>	<u>892,018</u>	<u>2,974,131</u>
<b>LIABILITIES</b>		
<i>Current liabilities:</i>		
Accounts payable	9,647	58,689
Accrued payroll liabilities	-	123,947
Interfund payables	328,991	328,991
Unearned revenue	-	-
<i>Total liabilities</i>	<u>338,638</u>	<u>511,627</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenues - property taxes	4,479	21,106
Unavailable revenues - other	-	-
<i>Total deferred inflows of resources</i>	<u>4,479</u>	<u>21,106</u>
<b>FUND BALANCES</b>		
Nonspendable	2,132	49,428
Restricted for:		
Transportation		-
Instructional materials		12,558
Grant mandates	268,211	268,211
Capital projects	278,558	278,558
Debt service	-	792,455
Assigned	-	-
Unassigned	-	1,040,188
<i>Total fund balances</i>	<u>548,901</u>	<u>2,441,398</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 892,018</u>	<u>\$ 2,974,131</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**GOVERNMENTAL FUNDS**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2014**

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	\$ 2,441,398
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	35,700,425
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	21,106
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	-
Accrued interest	(50,957)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(37,706)
General obligation bonds	(4,560,000)
Net position - total governmental activities	<u>\$ 33,514,266</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Operational Fund			
	General 11000	Transportation 13000	Instructional Materials 14000	Debt Service 41000
<i>Revenues:</i>				
Property taxes	\$ 41,859	\$ -	\$ -	\$ 692,636
State grants	8,298,624	523,252	57,384	-
Federal grants	-	-	-	-
Miscellaneous	5,122	-	-	-
Charges for services	128,771	-	-	-
Investment Income	7,010	-	-	-
<i>Total revenues</i>	<u>8,481,386</u>	<u>523,252</u>	<u>57,384</u>	<u>692,636</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,104,001	-	81,800	-
Support services				
Students	490,473	-	-	-
Instruction	203,870	-	-	-
General administration	412,505	-	-	7,040
School administration	513,996	-	-	-
Central services	276,828	-	-	-
Operation & maintenance of plant	1,108,271	-	-	-
Student transportation	-	476,202	-	-
Other support services	43,772	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	460,000
Interest	-	-	-	125,586
<i>Total expenditures</i>	<u>8,153,716</u>	<u>476,202</u>	<u>81,800</u>	<u>592,626</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>327,670</u>	<u>47,050</u>	<u>(24,416)</u>	<u>100,010</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>
<i>Net changes in fund balances</i>	<u>327,670</u>	<u>47,050</u>	<u>(24,416)</u>	<u>100,010</u>
<i>Fund balances - beginning of year</i>	<u>713,350</u>	<u>(586)</u>	<u>36,974</u>	<u>692,445</u>
<i>Fund balances - end of year</i>	<u>\$ 1,041,020</u>	<u>\$ 46,464</u>	<u>\$ 12,558</u>	<u>\$ 792,455</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Other Governmental Funds	Total Primary Government
<i>Revenues:</i>		
Property taxes	\$ 193,825	\$ 928,320
State grants	333,904	9,213,164
Federal grants	1,715,459	1,715,459
Miscellaneous	3,600	8,722
Charges for services	44,292	173,063
Investment Income	-	7,010
<i>Total revenues</i>	<u>2,291,080</u>	<u>12,045,738</u>
<i>Expenditures:</i>		
<i>Current:</i>		
Instruction	843,353	6,029,154
Support services		
Students	327,280	817,753
Instruction	19,295	223,165
General administration	137,494	557,039
School administration	4,684	518,680
Central services	27,031	303,859
Operation & maintenance of plant	7,990	1,116,261
Student transportation	12,363	488,565
Other support services	-	43,772
Food services operations	613,351	613,351
Community service	-	-
Capital outlay	754,890	754,890
Debt service		
Principal	-	460,000
Interest	-	125,586
<i>Total expenditures</i>	<u>2,747,731</u>	<u>12,052,075</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(456,651)</u>	<u>(6,337)</u>
<i>Other financing sources (uses):</i>		
Operating transfers	-	-
Proceeds from bond issues	200,000	200,000
<i>Total other financing sources (uses)</i>	<u>200,000</u>	<u>200,000</u>
<i>Net changes in fund balances</i>	<u>(256,651)</u>	<u>193,663</u>
<i>Fund balances - beginning of year</i>	<u>805,552</u>	<u>2,247,735</u>
<i>Fund balances - end of year</i>	<u>\$ 548,901</u>	<u>\$ 2,441,398</u>

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

STATE OF NEW MEXICO

Exhibit B-4

TUCUMCARI PUBLIC SCHOOLS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ 193,663
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	(1,350,196)
Capital Outlays	604,456
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	21,106
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 interest payable	1,708
Increase in accrued compensated absences	(7,423)
Principal payments on bonds	460,000
Proceeds from bond sale	<u>(200,000)</u>
Change in net position - total governmental activities	<u>\$ (276,686)</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**OPERATIONAL FUND (11000)**  
**FOR THE YEAR ENDING JUNE 30, 2014**

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 39,711	\$ 39,711	\$ 42,536	\$ 2,825
State grants	8,299,879	8,299,879	8,249,075	(50,804)
Federal grants	-	-	-	-
Miscellaneous	7,000	7,000	33,865	26,865
Charges for services	80,800	80,800	124,654	43,854
Interest	2,500	2,500	6,452	3,952
<i>Total revenues</i>	<u>8,429,890</u>	<u>8,429,890</u>	<u>8,456,582</u>	<u>26,692</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,532,655	5,443,543	5,068,800	374,743
Support services				
Students	515,750	549,087	485,628	63,459
Instruction	187,110	211,651	203,870	7,781
General administration	419,811	453,420	413,692	39,728
School administration	543,143	530,541	513,996	16,545
Central services	286,051	286,104	276,828	9,276
Operation & maintenance of plant	1,257,485	1,511,103	1,112,788	398,315
Student transportation	-	-	-	-
Other support services	39,693	112,971	57,478	55,493
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,781,698</u>	<u>9,098,420</u>	<u>8,133,080</u>	<u>965,340</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(351,808)</u>	<u>(668,530)</u>	<u>323,502</u>	<u>992,032</u>
<i>Other financing sources (uses):</i>				
Designated cash	351,808	668,530	-	(668,530)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>351,808</u>	<u>668,530</u>	<u>-</u>	<u>(668,530)</u>
<i>Net changes in fund balances</i>	-	-	323,502	323,502
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>882,143</u>	<u>882,143</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,205,645</u>	<u>\$ 1,205,645</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 323,502	
Adjustments to revenues			24,804	
Adjustments to expenditures			(20,636)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 327,670</u>	

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**STUDENT TRANSPORTATION SPECIAL REVENUE FUND (13000)**  
**FOR THE YEAR ENDING JUNE 30, 2014**

	<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	436,148	523,252	523,252	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>436,148</u>	<u>523,252</u>	<u>523,252</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	436,148	523,252	523,252	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>436,148</u>	<u>523,252</u>	<u>523,252</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>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 changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			<u>47,050</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 47,050</u>	

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (14000)**  
**FOR THE YEAR ENDING JUNE 30, 2014**

	<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	53,432	60,909	64,861	3,952
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>53,432</u>	<u>60,909</u>	<u>64,861</u>	<u>3,952</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	53,432	90,406	81,800	8,606
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>53,432</u>	<u>90,406</u>	<u>81,800</u>	<u>8,606</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(29,497)</u>	<u>(16,939)</u>	<u>12,558</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	29,497	-	(29,497)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>29,497</u>	<u>-</u>	<u>(29,497)</u>
<i>Net changes in fund balances</i>	-	-	(16,939)	(16,939)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>29,497</u>	<u>29,497</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,558</u>	<u>\$ 12,558</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (16,939)	
Adjustments to revenues			(7,477)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (24,416)</u>	

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



**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**AGENCY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2014**

Exhibit D-1

	<u>Agency Funds</u>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash	\$ 134,348
<i>Total assets</i>	<u>134,348</u>
 <b>LIABILITIES</b>	
<i>Current Liabilities</i>	
Deposits held in trust for others	134,348
<i>Total liabilities</i>	<u>\$ 134,348</u>

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

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**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 1. Summary of Significant Accounting Policies**

The Tucumcari Public School Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The 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 financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

During the year ended June 30, 2014, the District adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No 53*, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*. The more significant of the government's accounting policies are described below.

**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 unites, 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. There are no other primary governments with which the District has a significant relationship.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**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  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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 *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

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.

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

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

The *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 *Capital Improvements SB-9 Capital Projects Fund* (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.

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.

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

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

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

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

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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 either 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 Quay 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 Quay County Treasurer in July and August 2014 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2014.

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.

**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.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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, 2014.

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

Land Improvements	5-50 years
Buildings/building improvements	5-100 years
Furniture and equipment	5-20 years

**Unearned Revenues:** The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues.

**Deferred Inflows of Resources – Deferred 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 corresponding deferred revenue is recorded as well.

**Compensated Absences:** All regular twelve month support staff employees are entitled to accumulate vacation with pay. Annual leave accumulated during the first year of employment may not be taken during their first year. Annual leave accumulated during the contract year of employment must be taken prior to June the following year. Twelve month employees with less than ten years of service with the District earn ten days annual leave per contract year. Twelve month employees with ten years or more of service with the District earn fifteen days annual leave per contract year.

Compensated sick leave is only paid to an employee upon retirement. If an employee resigns or is terminated their accumulated leave becomes void. The amount of compensated absences is not to exceed one hundred hours. An employee must have ten years of service with Tucumcari Public Schools in order to receive this compensation upon retirement.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the district-wide statement of net position.

**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, 2014, 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 reported as deferred charges and amortized over the term of the related debt.



**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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.

**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 15.

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.

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

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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*

**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 \$8,298,624 in state equalization guarantee distributions during the year ended June 30, 2014.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1 of each year and are payable in two equal installments, on November 10<sup>th</sup> of the year in which the tax bill is prepared and April 10<sup>th</sup> 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 collected from residential and commercial property taxes at June 30, 2014 were \$949,426. Amounts collected from oil and gas taxes were \$0.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

*E. Revenues - (continued)*

**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 \$523,252 in transportation distributions during the year ended June 30, 2014.

**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, 2014 totaled \$57,384.

**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 \$98,775 in state SB-9 matching during the year ended June 30, 2014.

**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.

During the year ended June 30, 2014, the District received no 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.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

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

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 2. Stewardship, Compliance and Accountability - (continued)**

*Budgetary Information - (continued)*

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, 2014, is presented on each funds' Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

**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, 2014.

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

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 3. Cash and Cash Equivalents - (Continued)**

**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 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.

	Wells Fargo Bank	Citizens Bank	Quay Schools FCU	Total
Total amounts of deposits	\$ 1,885,065	\$ 212,383	\$ 500,000	\$ 2,597,448
FDIC coverage	250,000	212,383	250,000	712,383
Total uninsured public funds	<u>1,635,065.00</u>	<u>-</u>	<u>250,000.00</u>	<u>1,885,065.00</u>
Collateral requirement (50% of uninsured public funds)	817,533	-	125,000	942,533
Pledged security	966,193	92,364	-	1,058,557
Total over (under) collateralized	<u>\$ 148,660</u>	<u>\$ 92,364</u>	<u>\$ (125,000)</u>	<u>\$ 116,024</u>

The funds are maintained in non-interest bearing checking accounts at Wells Fargo Bank and Citizens Bank and an interest bearing certificate of deposit at Quay Schools Federal Credit Union.

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

*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 (Cooperative's) name.

At June 30, 2014, \$1,635,065 of the District's bank balance at Wells Fargo Bank was exposed to custodial credit risk as it was uninsured and the collateral was held by the Bank of New York Mellon, not in the District's name. An additional \$125,000 of the District's deposits was under collateralized at June 30, 2014 by Quay Schools Federal Credit Union and was subject to custodial risk as well. Thus, a total of \$1,885,065 of the District's bank balances of \$2,597,448 was exposed to custodial credit risk.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 3. Cash and Cash Equivalents - (Continued)**

**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	2,066,332
Statement of Fiduciary Net Position - cash per Exhibit D-1	<u>134,348.00</u>
Total per financial statements	2,200,680
Add outstanding checks and other reconciling items	<u>396,768</u>
Bank balance of deposits	<u>\$ 2,597,448</u>

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, 2014. Funds 24000 through 25000 are federal funds and 27000 funds are non-federal funds. The following individual funds had negative cash balances as of June 30, 2014:

<b>Fund #</b>	<b>Special Revenue Funds:</b>	
24101	Title I IASA	144,666
24106	IDEA-B Entitlement	84,624
24108	New Mexico Autism Project	1,476
24109	IDEA-B Preschool	3,765
24120	IDEA-B "Risk Pool"	62
24154	Teacher/Principal Training & Recruiting	42,253
24160	Rural and Low Income Schools	3,882
27103	Dual Credit Instructional Materials	879
27107	2012 GO Bonds Student Library Fund (SB66)	123
27114	New Mexico Reads to Lead K-3 Reading Initiative	30,826
27149	PreK Initiative	14,909
27155	Breakfast for Elementary Students	<u>1,526</u>
	 Total	 <u>\$ 328,991</u>

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 4. Receivables**

Receivables as of June 30, 2014 are as follows:

	<u>Major Funds</u>			Total Governmental Funds
	Operational 11000	Debt Service 41000	Other Governmental Funds	
Property taxes	\$ 2,621	\$ 45,176	\$ 12,705	\$ 60,502
Due from other governments	-	-	463,031	463,031
Other	5,847	-	-	5,847
Total receivables	<u>\$ 8,468</u>	<u>\$ 45,176</u>	<u>\$ 475,736</u>	<u>\$ 529,380</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$21,106 were not collected within the period of availability and have been reclassified as deferred revenue in the governmental fund financial statements.

**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, 2014 is as follows:

<b>Governmental Activities</b>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Major Funds:</b>		
Operational (11000)	\$ 328,991	\$ -
<b>Non-major Funds:</b>		
Title I IASA (24101)	-	144,666
IDEA-B Entitlement (24106)	-	84,624
New Mexico Autism Project (24108)	-	1,476
IDEA-B Preschool (24109)	-	3,765
IDEA-B Risk Pool (24120)	-	62
Teacher/Principal Training & Recruiting (24154)	-	42,253
Rural & Low-Income Schools (24160)	-	3,882
Dual Credit Instructional Materials (27103)	-	879
2012 GO Bonds Student Library Fund (SB66) (27107)	-	123
New Mexico Reads to Lead K-3 Reading Initiative (27114)	-	30,826
PreK Initiative (27149)	-	14,909
Breakfast for Elementary Students (27155)	-	1,526
Totals	<u>\$ 328,991</u>	<u>\$ 328,991</u>

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



**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 6. Capital Assets**

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

	Balance June 30, 2013	Additions	Deletions	Adjustments	Balance June 30, 2014
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ 304,872	\$ -	\$ -	\$ (2,738)	\$ 302,134
Construction in progress	-	469,641	352,486	-	117,155
Total capital assets not being depreciated	<u>304,872</u>	<u>469,641</u>	<u>352,486</u>	<u>(2,738)</u>	<u>419,289</u>
Capital assets being depreciated:					
Land improvements	1,516,869	9,795	-	(1,133,995)	392,669
Buildings and building improvements	57,033,443	378,790	-	540,448	57,952,681
Furniture, fixtures, and equipment	4,351,438	98,716	-	(740,195)	3,709,959
Vehicles	-	-	-	1,632,581	1,632,581
Total capital assets being depreciated	<u>62,901,750</u>	<u>487,301</u>	<u>-</u>	<u>298,839</u>	<u>63,687,890</u>
Less accumulated depreciation:					
Land improvements	610,670	28,394	-	(413,316)	225,748
Buildings and building improvements	22,233,933	1,086,536	-	1,213,992	24,534,461
Furniture, fixtures, and equipment	3,343,106	146,018	-	(1,198,720)	2,290,404
Vehicles	-	89,248	-	1,266,893	1,356,141
Total accumulated depreciation	<u>26,187,709</u>	<u>1,350,196</u>	<u>-</u>	<u>868,849</u>	<u>28,406,754</u>
Total capital assets, net of depreciation	<u>\$ 37,018,913</u>	<u>\$ (393,254)</u>	<u>\$ (352,486)</u>	<u>\$ (572,748)</u>	<u>\$ 35,700,425</u>

Depreciation expense for the year ended June 30, 2014 was charged to governmental activities as follows:

Governmental activities:	
Instruction	\$ 1,061,472
Support services - students	94,408
General administration	306
Central services	399
Operation and maintenance of plant	9,484
Student transportation	18,713
Food services	12,147
Depreciation - Unallocated	153,267
Total depreciation	<u>\$ 1,350,196</u>

Construction commitments:

The current construction in progress had a remaining commitment of approximately \$5,000 for completion at June 30, 2014.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 7. Long-Term Debt**

During the year ended June 30, 2014 the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance at 06/30/13	Additions	Deletions	Balance at 06/30/14	Due Within One Year
General obligation bonds	\$ 4,820,000	\$ 200,000	\$ 460,000	\$ 4,560,000	\$ 585,000
Compensated absences	30,283	53,230	45,807	37,706	37,706
Total	<u>\$ 4,850,283</u>	<u>\$ 253,230</u>	<u>\$ 505,807</u>	<u>\$ 4,597,706</u>	<u>\$ 622,706</u>

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, 2014, all general obligation bonds are for governmental activities.

The annual requirements to amortize the General Obligation Bonds as of June 30, 2014, including interest payments are as follows:

Fiscal Year Ending June 30,	Series 2003 General Obligation Bond		Total Debt
	Principal	Interest	Service
2015	\$ 50,000	\$ 10,052	\$ 60,052
2016	100,000	7,886	\$ 107,886
2017	100,000	4,920	\$ 104,920
2018	110,000	1,707	\$ 111,707
Totals	<u>\$ 360,000</u>	<u>\$ 24,564</u>	<u>\$ 384,564</u>

Fiscal Year Ending June 30,	Series 2007 General Obligation Bond		Total Debt
	Principal	Interest	Service
2015	\$ 20,000	\$ 85,763	\$ 105,763
2016	100,000	77,492	177,492
2017	150,000	70,326	220,326
2018	150,000	63,965	213,965
2019	190,000	58,021	248,021
2020-2024	390,000	175,316	565,316
Totals	<u>\$ 1,000,000</u>	<u>\$ 530,882</u>	<u>\$ 1,530,882</u>

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 7. Long-Term Debt - (Continued)**

NMFA Loan – Series 2009 General Obligation Building

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ -	\$ 21,268	\$ 21,268
2016	50,000	20,751	70,751
2017	50,000	19,674	69,674
2018	50,000	18,492	68,492
2019	100,000	16,547	116,547
2020-2024	500,000	34,360	534,360
Totals	<u>\$ 750,000</u>	<u>\$ 131,092</u>	<u>\$ 881,092</u>

NMFA Loan – Series 2010 General Obligation Building

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 230,000	\$ 21,410	\$ 251,410
2016	50,000	19,316	69,316
2017	50,000	18,308	68,308
2018	65,000	16,922	81,922
2019	75,000	15,039	90,039
2020-2024	415,000	33,181	448,181
Totals	<u>\$ 885,000</u>	<u>\$ 124,175</u>	<u>\$ 1,009,175</u>

NMFA Loan – Series 2011 General Obligation Building

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 75,000	\$ 27,223	\$ 102,223
2016	75,000	24,903	99,903
2017	-	23,684	23,684
2018	-	23,684	23,684
2019	-	23,684	23,684
2020-2024	410,000	102,797	512,797
2025-2029	255,000	4,884	259,884
Totals	<u>\$ 815,000</u>	<u>\$ 230,861</u>	<u>\$ 1,045,861</u>

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 7. Long-Term Debt - (Continued)**

Fiscal Year Ending June 30,	NMFA Loan – Series 2012 General Obligation Building		
	Principal	Interest	Total Debt Service
2015	\$ 95,000	\$ 5,304	\$ 100,304
2016	70,000	4,352	74,352
2017	55,000	3,491	58,491
2018	15,000	2,947	17,947
2019	25,000	2,572	27,572
2020-2024	175,000	4,614	179,614
2025-2029	115,000	-	115,000
Totals	<u>\$ 550,000</u>	<u>\$ 23,280</u>	<u>\$ 573,280</u>

Fiscal Year Ending June 30,	NMFA Loan – Series 2013 General Obligation Building		
	Principal	Interest	Total Debt Service
2015	\$ 115,000	\$ 506	\$ 115,506
2016	10,000	284	10,284
2017	10,000	249	10,249
2018	10,000	213	10,213
2019	10,000	178	10,178
2020-2024	45,000	364	45,364
Totals	<u>\$ 200,000</u>	<u>\$ 1,794</u>	<u>\$ 201,794</u>

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

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2014, compensated absences increased \$7,423 over the prior year accrual. See Note 1 for more details.

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 revenue at June 30, 2014.

**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.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**NOTE 9. Risk Management - (Continued)**

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, 2014, there have been no claims that have exceeded insurance coverage.

**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, 2014:

IDEA-B Entitlement (24106)	(\$ 541)
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B. Excess of expenditures over appropriations: The Pre-K Initiative Fund did not have a budget for the year ended June 30, 2014, and the District over expended the fund in total in the amount of \$72,284, \$59,921 in the Instruction function and \$12,363 in the Student Transportation function. See page 110 for further information.

**NOTE 11. Pension Plan – Educational Retirement Board**

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

***Funding Policy:***

**Member Contributions**

Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 10.10% of their gross salary in fiscal year 2014; and 10.70% of their gross salary in fiscal year 2015 and thereafter.

**Employer Contributions**

Tucumcari Public Schools was required to contribute 13.15% of the gross covered salary in fiscal year 2014. In fiscal year 2015 Tucumcari Public Schools will contribute 13.90% of gross covered salary.

The contribution requirements of plan members and Tucumcari Public Schools are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2014, 2013, and 2012, were \$744,941, \$242,290, and \$227,487, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

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

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

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

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the 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, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2014, 2013, and 2012 were \$113,297, \$43,881, and \$43,605, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014**

**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 June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 *Accounting and Financial Reporting for Pensions* which is effective for annual reporting periods beginning after June 15, 2014. Statement No. 68 requires 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. Due to the implementation of GASB 68 in fiscal year 2015, Tucumcari Public Schools' financial statements will include a material liability for pension participation costs which have not been previously disclosed. The amount of this liability cannot be determined at this time, but it will have a significant effect on the financial statement presentation in the next fiscal year.

**NOTE 15. Restatement**

During review of the District's capital assets, it was determined that due to errors in collecting and maintaining fixed asset records, professional fees, such as architectural services, had not been capitalized properly in previous year. Additionally, the District's records did not match the previous audit reports in total or by category. The District has capitalized amounts previously excluded and correlated categories to their records. The net effect on capital assets and accumulated depreciation was a net decrease of \$572,748.

**NOTE 16. Subsequent Events**

A review of subsequent events through November 05, 2014 which is the date the financial statements were available to be issued, indicated nothing of audit significance.

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**SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ 238,180	\$ 175,970	\$ -	\$ 414,150
Accounts receivable				
Taxes	-	12,705	-	12,705
Due from other governments	364,256	98,775	-	463,031
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	2,132	-	-	2,132
	<u>604,568</u>	<u>287,450</u>	<u>-</u>	<u>892,018</u>
<i>Total assets</i>				
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	5,234	4,413	-	9,647
Accrued payroll liabilities	-	-	-	-
Interfund payables	328,991	-	-	328,991
Unearned revenue	-	-	-	-
	<u>334,225</u>	<u>4,413</u>	<u>-</u>	<u>338,638</u>
<i>Total liabilities</i>				
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	4,479	-	4,479
Unavailable revenues - other	-	-	-	-
	<u>-</u>	<u>4,479</u>	<u>-</u>	<u>4,479</u>
<i>Total deferred inflows of resources</i>				
<b>FUND BALANCES</b>				
Nonspendable	2,132	-	-	2,132
Restricted for:				
Grant mandates	268,211	-	-	268,211
Capital projects	-	278,558	-	278,558
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>270,343</u>	<u>278,558</u>	<u>-</u>	<u>548,901</u>
<i>Total fund balances</i>				
<i>Total liabilities, deferred inflows of resources, and fund balances</i>				
	<u>\$ 604,568</u>	<u>\$ 287,450</u>	<u>\$ -</u>	<u>\$ 892,018</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ 193,825	\$ -	\$ 193,825
State grants	227,783	106,121	-	333,904
Federal grants	1,715,459	-	-	1,715,459
Miscellaneous	3,600	-	-	3,600
Charges for services	44,292	-	-	44,292
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>1,991,134</u>	<u>299,946</u>	<u>-</u>	<u>2,291,080</u>
<i>Expenditures:</i>				
Current:				
Instruction	843,353	-	-	843,353
Support services				
Students	327,280	-	-	327,280
Instruction	19,295	-	-	19,295
General administration	135,525	1,969	-	137,494
School administration	4,684	-	-	4,684
Central services	27,031	-	-	27,031
Operation & maintenance of plant	7,990	-	-	7,990
Student transportation	12,363	-	-	12,363
Other support services	-	-	-	-
Food services operations	613,351	-	-	613,351
Community service	-	-	-	-
Capital outlay	14,195	740,695	-	754,890
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,005,067</u>	<u>742,664</u>	<u>-</u>	<u>2,747,731</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(13,933)</u>	<u>(442,718)</u>	<u>-</u>	<u>(456,651)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	200,000	-	200,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
<i>Net changes in fund balances</i>	<u>(13,933)</u>	<u>(242,718)</u>	<u>-</u>	<u>(256,651)</u>
<i>Fund balances - beginning of year</i>	<u>284,276</u>	<u>521,276</u>	<u>-</u>	<u>805,552</u>
<i>Fund balances - end of year</i>	<u>\$ 270,343</u>	<u>\$ 278,558</u>	<u>\$ -</u>	<u>\$ 548,901</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.

**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.

**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.

**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.



**Maternal/child Health (25110)** – To improve the health of mothers and children consistent with the applicable health status goals and national health objectives established by the Secretary of the U.S. Department of Health and Human Services.

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

**Tucumcari Band-Aides (26206)** – To account for funds received in support of the music program at Tucumcari High School.

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

**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)** – To account for funds provided by the New Mexico Public Education Department to support legislative initiative to improve reading in grades K-3.

**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.

**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.

**2010 GO Bonds Instructional Materials (27171)** – Funds are used to account for Top Growth Money for Tucumcari Middle School award.

**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.

**NMFLEX (28194)** – Funds used to support rural communities in preserving access to primary and emergency health care services.

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

**Wind Farm Projects (29134)** – Funds received by the district as a Payment in Lieu of Taxes from wind farms within Quay County.

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Food Services 21000	Athletics 22000	Title I - IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
<b>ASSETS</b>					
<i>Current assets:</i>					
Cash and temporary investments	\$ 112,932	\$ 12	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	10,905	-	144,666	84,726	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	2,132	-	-	-	-
<i>Total assets</i>	<u>125,969</u>	<u>12</u>	<u>144,666</u>	<u>84,726</u>	<u>-</u>
<b>LIABILITIES</b>					
<i>Current liabilities:</i>					
Accounts payable	591	-	-	643	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	144,666	84,624	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>591</u>	<u>-</u>	<u>144,666</u>	<u>85,267</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	2,132	-	-	-	-
Restricted for:					
Grant mandates	123,246	12	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	(541)	-
<i>Total fund balances</i>	<u>125,378</u>	<u>12</u>	<u>-</u>	<u>(541)</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 125,969</u>	<u>\$ 12</u>	<u>\$ 144,666</u>	<u>\$ 84,726</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	New Mexico Autism Project 24108	IDEA-B Preschool 24109	IDEA-B Risk Pool 24120	Teacher/Principal Training & Recruiting 24154
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	1,476	3,765	62	42,253
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>1,476</u>	<u>3,765</u>	<u>62</u>	<u>42,253</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	1,476	3,765	62	42,253
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>1,476</u>	<u>3,765</u>	<u>62</u>	<u>42,253</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,476</u>	<u>\$ 3,765</u>	<u>\$ 62</u>	<u>\$ 42,253</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Rural & Low-Income Schools 24160	Maternal/child Health 25110	Title XIX Medicaid 3/21 Years 25153	Tucumcari Band-Aides 26206
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 6,258	\$ 61,264	\$ 19,739
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	3,882	-	17,258	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>3,882</u>	<u>6,258</u>	<u>78,522</u>	<u>19,739</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	4,000	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	3,882	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>3,882</u>	<u>4,000</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	2,258	78,522	19,739
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>2,258</u>	<u>78,522</u>	<u>19,739</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,882</u>	<u>\$ 6,258</u>	<u>\$ 78,522</u>	<u>\$ 19,739</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Dual Credit Instructional Materials 27103	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114	PreK Initiative 27149
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	879	123	30,826	14,909
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>879</u>	<u>123</u>	<u>30,826</u>	<u>14,909</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	879	123	30,826	14,909
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>879</u>	<u>123</u>	<u>30,826</u>	<u>14,909</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 879</u>	<u>\$ 123</u>	<u>\$ 30,826</u>	<u>\$ 14,909</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	Breakfast for Elementary Students 27155	2010 GO Bonds Instructional Materials 27171	NM Grown Fresh Fruits and Vegetables 27183	Next Generation Assessments 27185
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	1,526	-	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>1,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	1,526	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>1,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,526</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2014

	NMFLEX 28194	Private Direct Grants 29102	Wind Farm Projects 29134	Total
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ 30,775	\$ -	\$ 7,200	\$ 238,180
Accounts receivable				-
Taxes	-	-	-	-
Due from other governments	7,000	-	-	364,256
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	2,132
<i>Total assets</i>	<u>37,775</u>	<u>-</u>	<u>7,200</u>	<u>604,568</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	5,234
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	328,991
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,225</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	2,132
Restricted for:				
Grant mandates	37,775	-	7,200	268,752
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(541)
<i>Total fund balances</i>	<u>37,775</u>	<u>-</u>	<u>7,200</u>	<u>270,343</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 37,775</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 604,568</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement B-2

	Food Services 21000	Athletics 22000	Title I - IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	583,451	-	495,104	311,353	-
Miscellaneous	-	-	-	-	-
Charges for services	29,840	14,452	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>613,291</u>	<u>14,452</u>	<u>495,104</u>	<u>311,353</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	19,816	399,620	109,528	-
Support services					
Students	-	-	-	178,145	-
Instruction	-	-	2,100	-	-
General administration	-	-	93,384	16,231	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	7,990	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	595,129	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>595,129</u>	<u>19,816</u>	<u>495,104</u>	<u>311,894</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>18,162</u>	<u>(5,364)</u>	<u>-</u>	<u>(541)</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>18,162</u>	<u>(5,364)</u>	<u>-</u>	<u>(541)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>107,216</u>	<u>5,376</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 125,378</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ (541)</u>	<u>\$ -</u>

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



STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement B-2

	New Mexico Autism Project 24108	IDEA-B Preschool 24109	IDEA-B Risk Pool 24120	Teacher/Principal Training & Recruiting 24154	Rural & Low-Income Schools 24160
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	8,480	20,246	2,247	95,445	18,071
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>8,480</u>	<u>20,246</u>	<u>2,247</u>	<u>95,445</u>	<u>18,071</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	19,218	2,247	73,015	17,153
Support services					
Students	8,480	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	1,028	-	18,442	918
School administration	-	-	-	3,988	-
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>8,480</u>	<u>20,246</u>	<u>2,247</u>	<u>95,445</u>	<u>18,071</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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement B-2

	Maternal/Child Health 25110	Title XIX Medicaid 3/21 Years 25153	Tucumcari Band-Aides 26206	Dual Credit Instructional Materials 27103	2012 GO Bonds Student Library Fund (SB66) 27107
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	5,863	5,000
Federal grants	5,000	176,062	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>5,000</u>	<u>176,062</u>	<u>-</u>	<u>5,863</u>	<u>5,000</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	44,121	375	5,863	-
Support services					
Students	-	127,783	-	-	-
Instruction	-	-	-	-	5,000
General administration	4,000	-	-	-	-
School administration	696	-	-	-	-
Central services	-	27,031	-	-	-
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>4,696</u>	<u>198,935</u>	<u>375</u>	<u>5,863</u>	<u>5,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>304</u>	<u>(22,873)</u>	<u>(375)</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>304</u>	<u>(22,873)</u>	<u>(375)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>1,954</u>	<u>101,395</u>	<u>20,114</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 2,258</u>	<u>\$ 78,522</u>	<u>\$ 19,739</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement B-2

	New Mexico Reads to Lead K-3 Reading Initiative 27114	PreK Initiative 27149	Breakfast for Elementary Students 27155	2010 GO Bond Instructional Materials 27171	NM Grown Fresh Fruits and Vegetables 27183
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	87,397	72,284	17,631	6,522	591
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>87,397</u>	<u>72,284</u>	<u>17,631</u>	<u>6,522</u>	<u>591</u>
<i>Expenditures:</i>					
Current:					
Instruction	86,563	59,921	-	473	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	834	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	12,363	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	17,631	-	591
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>87,397</u>	<u>72,284</u>	<u>17,631</u>	<u>473</u>	<u>591</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,049</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>6,049</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,049)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

Statement B-2

	Next Generation Assessments 27185	NMFLEX 28194	Wind Farm Projects 29102	Private Direct Grants 29134	Total
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	12,195	20,300	-	-	227,783
Federal grants	-	-	-	-	1,715,459
Miscellaneous	-	-	-	3,600	3,600
Charges for services	-	-	-	-	44,292
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>12,195</u>	<u>20,300</u>	<u>-</u>	<u>3,600</u>	<u>1,991,134</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	5,440	-	843,353
Support services					
Students	-	12,872	-	-	327,280
Instruction	12,195	-	-	-	19,295
General administration	-	688	-	-	135,525
School administration	-	-	-	-	4,684
Central services	-	-	-	-	27,031
Operation & maintenance of plant	-	-	-	-	7,990
Student transportation	-	-	-	-	12,363
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	613,351
Community service	-	-	-	-	-
Capital outlay	-	-	14,195	-	14,195
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>12,195</u>	<u>13,560</u>	<u>19,635</u>	<u>-</u>	<u>2,005,067</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>6,740</u>	<u>(19,635)</u>	<u>3,600</u>	<u>(13,933)</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>6,740</u>	<u>(19,635)</u>	<u>3,600</u>	<u>(13,933)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>31,035</u>	<u>19,635</u>	<u>3,600</u>	<u>284,276</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 37,775</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 270,343</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOOD SERVICES SPECIAL REVENUE FUND (21000)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	550,000	550,000	530,459	(19,541)
Miscellaneous	-	-	-	-
Charges for services	22,000	22,000	29,840	7,840
Interest	-	-	-	-
<i>Total revenues</i>	<u>572,000</u>	<u>572,000</u>	<u>560,299</u>	<u>(11,701)</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	649,077	676,474	551,842	124,632
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>649,077</u>	<u>676,474</u>	<u>551,842</u>	<u>124,632</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(77,077)</u>	<u>(104,474)</u>	<u>8,457</u>	<u>112,931</u>
<i>Other financing sources (uses):</i>				
Designated cash	77,077	104,474	-	(104,474)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>77,077</u>	<u>104,474</u>	<u>-</u>	<u>(104,474)</u>
<i>Net changes in fund balances</i>	-	-	8,457	8,457
<i>Cash or fund balances - beginning of year</i>	-	-	104,475	104,475
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,932</u>	<u>\$ 112,932</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 8,457	
Adjustments to revenues			52,992	
Adjustments to expenditures			(43,287)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 18,162</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
ATHLETICS SPECIAL REVENUE FUND (22000)  
FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	19,500	19,500	14,452	(5,048)
Interest	-	-	-	-
<i>Total revenues</i>	<u>19,500</u>	<u>19,500</u>	<u>14,452</u>	<u>(5,048)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	22,013	24,876	19,816	5,060
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>22,013</u>	<u>24,876</u>	<u>19,816</u>	<u>5,060</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,513)</u>	<u>(5,376)</u>	<u>(5,364)</u>	<u>12</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,513	5,376	-	(5,376)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,513</u>	<u>5,376</u>	<u>-</u>	<u>(5,376)</u>
<i>Net changes in fund balances</i>	-	-	(5,364)	(5,364)
<i>Cash or fund balances - beginning of year</i>	-	-	5,376	5,376
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 12</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (5,364)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (5,364)</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
TITLE I - IASA SPECIAL REVENUE FUND (24101)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	507,124	577,069	488,560	(88,509)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>507,124</u>	<u>577,069</u>	<u>488,560</u>	<u>(88,509)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	405,359	460,593	399,620	60,973
Support services				
Students	-	-	-	-
Instruction	2,299	7,968	2,100	5,868
General administration	99,466	103,508	93,384	10,124
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	5,000	-	5,000
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>507,124</u>	<u>577,069</u>	<u>495,104</u>	<u>81,965</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,544)</u>	<u>(6,544)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(6,544)	(6,544)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(138,122)</u>	<u>(138,122)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (144,666)</u>	<u>\$ (144,666)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (6,544)	
Adjustments to revenues			6,544	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
ENTITLEMENT IDEA-B SPECIAL REVENUE FUND (24106)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	360,252	290,416	(69,836)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>360,252</u>	<u>290,416</u>	<u>(69,836)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	122,520	110,341	12,179
Support services				
Students	-	206,709	178,145	28,564
Instruction	-	-	-	-
General administration	-	21,861	16,231	5,630
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	9,162	7,990	1,172
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>360,252</u>	<u>312,707</u>	<u>47,545</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,291)</u>	<u>(22,291)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(22,291)	(22,291)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(62,333)</u>	<u>(62,333)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (84,624)</u>	<u>\$ (84,624)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (22,291)	
Adjustments to revenues			20,937	
Adjustments to expenditures			813	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (541)</u>	

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



STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
IDEA-B DISCRETIONARY SPECIAL REVENUE FUND (24107)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-7

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	2,469	2,469
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,469</u>	<u>2,469</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>2,469</u>	<u>2,469</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	2,469	2,469
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,469)</u>	<u>(2,469)</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 changes in fund balance			\$ 2,469	
Adjustments to revenues			(2,469)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
NEW MEXICO AUTISM PROJECT SPECIAL REVENUE FUND (24108)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	8,480	7,004	(1,476)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,480</u>	<u>7,004</u>	<u>(1,476)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	8,480	8,480	-
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>8,480</u>	<u>8,480</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,476)</u>	<u>(1,476)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(1,476)	(1,476)
<i>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>\$ (1,476)</u>	<u>\$ (1,476)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (1,476)	
Adjustments to revenues			1,476	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
PRESCHOOL IDEA-B SPECIAL REVENUE FUND (24109)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-9

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	21,518	23,177	1,659
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>21,518</u>	<u>23,177</u>	<u>1,659</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	20,234	19,218	1,016
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	1,284	1,028	256
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>21,518</u>	<u>20,246</u>	<u>1,272</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,931</u>	<u>2,931</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	2,931	2,931
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,696)</u>	<u>(6,696)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,765)</u>	<u>\$ (3,765)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 2,931	
Adjustments to revenues			(2,931)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
IDEA-B "RISK POOL" SPECIAL REVENUE FUND (24120)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-10

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	2,247	2,322	75
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,247</u>	<u>2,322</u>	<u>75</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,247	2,247	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,247</u>	<u>2,247</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>75</u>	<u>75</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	75	75
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(137)</u>	<u>(137)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (62)</u>	<u>\$ (62)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 75	
Adjustments to revenues			(75)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
TEACHER / PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND (24154)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	94,502	148,257	69,245	(79,012)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>94,502</u>	<u>148,257</u>	<u>69,245</u>	<u>(79,012)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	73,569	115,448	73,015	42,433
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	19,433	27,309	18,442	8,867
School administration	1,500	5,500	3,988	1,512
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>94,502</u>	<u>148,257</u>	<u>95,445</u>	<u>52,812</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(26,200)</u>	<u>(26,200)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(26,200)	(26,200)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(16,053)</u>	<u>(16,053)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,253)</u>	<u>\$ (42,253)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (26,200)	
Adjustments to revenues			26,200	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND (24160)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-12

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	18,143	19,396	22,504	3,108
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>18,143</u>	<u>19,396</u>	<u>22,504</u>	<u>3,108</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	17,051	18,237	17,153	1,084
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,092	1,159	918	241
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,143</u>	<u>19,396</u>	<u>18,071</u>	<u>1,325</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,433</u>	<u>4,433</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	4,433	4,433
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,315)</u>	<u>(8,315)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,882)</u>	<u>\$ (3,882)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 4,433	
Adjustments to revenues			(4,433)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
MATERNAL/CHILD HEALTH SPECIAL REVENUE FUND (25110)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-13

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	5,000	5,000	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	2,359	6,954	696	6,258
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>2,359</u>	<u>6,954</u>	<u>696</u>	<u>6,258</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,359)</u>	<u>(1,954)</u>	<u>4,304</u>	<u>6,258</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,359	1,954	-	(1,954)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,359</u>	<u>1,954</u>	<u>-</u>	<u>(1,954)</u>
<i>Net changes in fund balances</i>	-	-	4,304	4,304
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,954</u>	<u>1,954</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,258</u>	<u>\$ 6,258</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 4,304	
Adjustments to revenues			-	
Adjustments to expenditures			(4,000)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 304</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND (25153)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	135,000	135,000	175,692	40,692
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>135,000</u>	<u>135,000</u>	<u>175,692</u>	<u>40,692</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	21,169	53,567	44,121	9,446
Support services				
Students	146,987	138,908	127,783	11,125
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	27,032	27,032	27,031	1
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>195,188</u>	<u>219,507</u>	<u>198,935</u>	<u>20,572</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(60,188)</u>	<u>(84,507)</u>	<u>(23,243)</u>	<u>61,264</u>
<i>Other financing sources (uses):</i>				
Designated cash	60,188	84,507	-	(84,507)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>60,188</u>	<u>84,507</u>	<u>-</u>	<u>(84,507)</u>
<i>Net changes in fund balances</i>	-	-	(23,243)	(23,243)
<i>Cash or fund balances - beginning of year</i>	-	-	84,507	84,507
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,264</u>	<u>\$ 61,264</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (23,243)	
Adjustments to revenues			370	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (22,873)</u>	

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



STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
TUCUMCARI BAND-AIDES SPECIAL REVENUE FUND (26206)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-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	23,625	20,114	375	19,739
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>23,625</u>	<u>20,114</u>	<u>375</u>	<u>19,739</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(23,625)</u>	<u>(20,114)</u>	<u>(375)</u>	<u>19,739</u>
<i>Other financing sources (uses):</i>				
Designated cash	23,625	20,114	-	(20,114)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>23,625</u>	<u>20,114</u>	<u>-</u>	<u>(20,114)</u>
<i>Net changes in fund balances</i>	-	-	(375)	(375)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>20,114</u>	<u>20,114</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,739</u>	<u>\$ 19,739</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (375)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (375)</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-16

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	5,863	4,984	(879)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,863</u>	<u>4,984</u>	<u>(879)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	5,863	5,863	-
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>5,863</u>	<u>5,863</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(879)</u>	<u>(879)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(879)	(879)
<i>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>\$ (879)</u>	<u>\$ (879)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (879)	
Adjustments to revenues			879	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-17

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	10,267	10,267	4,877	(5,390)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,267</u>	<u>10,267</u>	<u>4,877</u>	<u>(5,390)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	10,267	10,267	5,000	5,267
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>10,267</u>	<u>10,267</u>	<u>5,000</u>	<u>5,267</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(123)</u>	<u>(123)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(123)	(123)
<i>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>\$ (123)</u>	<u>\$ (123)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (123)	
Adjustments to revenues			123	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement B-18

## TUCUMCARI PUBLIC SCHOOLS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

## BALANCE - BUDET (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, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	87,397	56,571	(30,826)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>87,397</u>	<u>56,571</u>	<u>(30,826)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	86,563	86,563	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	834	834	-
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>87,397</u>	<u>87,397</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(30,826)</u>	<u>(30,826)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(30,826)	(30,826)
<i>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>\$ (30,826)</u>	<u>\$ (30,826)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (30,826)	
Adjustments to revenues			30,826	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
PRE K INITIATIVE SPECIAL REVENUE FUND (27149)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	57,375	57,375
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>57,375</u>	<u>57,375</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	59,921	(59,921)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	12,363	(12,363)
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>72,284</u>	<u>(72,284)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,909)</u>	<u>(14,909)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(14,909)	(14,909)
<i>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>\$ (14,909)</u>	<u>\$ (14,909)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (14,909)	
Adjustments to revenues			14,909	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-20

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	18,726	18,139	(587)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>18,726</u>	<u>18,139</u>	<u>(587)</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	-	18,726	17,631	1,095
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>18,726</u>	<u>17,631</u>	<u>1,095</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>508</u>	<u>508</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	508	508
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,034)</u>	<u>(2,034)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,526)</u>	<u>\$ (1,526)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 508	
Adjustments to revenues			(508)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
2010 GO BOND INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27171)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-21

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	12,211	6,523	13,464	6,941
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>12,211</u>	<u>6,523</u>	<u>13,464</u>	<u>6,941</u>
<i>Expenditures:</i>				
Current:				
Instruction	12,211	6,523	6,523	-
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>12,211</u>	<u>6,523</u>	<u>6,523</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>6,941</u>	<u>6,941</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	6,941	6,941
<i>Cash or fund balances - beginning of year</i>	-	-	(6,941)	(6,941)
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 6,941	
Adjustments to revenues			(6,942)	
Adjustments to expenditures			6,050	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 6,049</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
NM GROWN FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (27183)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-22

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	591	591	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>591</u>	<u>591</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	-	591	591	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>591</u>	<u>591</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>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 changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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



STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
NEXT GENERATION ASSESSEMENTS SPECIAL REVENUE FUND (27185)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-23

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	12,204	12,195	(9)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>12,204</u>	<u>12,195</u>	<u>(9)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	12,204	12,195	9
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>12,204</u>	<u>12,195</u>	<u>9</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>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 changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
NMFLEX SPECIAL REVENUE FUND (28194)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-24

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	20,000	19,550	(450)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,000</u>	<u>19,550</u>	<u>(450)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	19,295	43,256	12,872	30,384
Instruction	-	-	-	-
General administration	1,275	1,529	688	841
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>20,570</u>	<u>44,785</u>	<u>13,560</u>	<u>31,225</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(20,570)</u>	<u>(24,785)</u>	<u>5,990</u>	<u>30,775</u>
<i>Other financing sources (uses):</i>				
Designated cash	20,570	24,785	-	(24,785)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>20,570</u>	<u>24,785</u>	<u>-</u>	<u>(24,785)</u>
<i>Net changes in fund balances</i>	-	-	5,990	5,990
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>24,785</u>	<u>24,785</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,775</u>	<u>\$ 30,775</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 5,990	
Adjustments to revenues			750	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 6,740</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	19,635	-	(19,635)
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>19,635</u>	<u>-</u>	<u>(19,635)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	5,440	5,440	-
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	-	14,195	14,195	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>19,635</u>	<u>19,635</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,635)</u>	<u>(19,635)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(19,635)	(19,635)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>19,635</u>	<u>19,635</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 changes in fund balance			\$ (19,635)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (19,635)</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
WIND FARM PROJECTS SPECIAL REVENUE FUND (29134)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	3,600	3,600	3,600	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,200	7,200	-	7,200
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>7,200</u>	<u>7,200</u>	<u>-</u>	<u>7,200</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,600)</u>	<u>(3,600)</u>	<u>3,600</u>	<u>7,200</u>
<i>Other financing sources (uses):</i>				
Designated cash	3,600	3,600	-	(3,600)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,600</u>	<u>3,600</u>	<u>-</u>	<u>(3,600)</u>
<i>Net changes in fund balances</i>	-	-	3,600	3,600
<i>Cash or fund balances - beginning of year</i>	-	-	3,600	3,600
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 7,200</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 3,600	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 3,600</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.

**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.

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

**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  
TUCUMCARI PUBLIC SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2014

	Bond Building 31100	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Total
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ 30,861	\$ -	\$ 145,109	\$ 175,970
Accounts receivable				
Taxes	-	-	12,705	12,705
Due from other governments	-	-	98,775	98,775
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>30,861</u>	<u>-</u>	<u>256,589</u>	<u>287,450</u>
<b>LIABILITIES</b>				
<i>Current liabilities:</i>				
Accounts payable	-	-	4,413	4,413
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>4,413</u>	<u>4,413</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues - property taxes	-	-	4,479	4,479
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>4,479</u>	<u>4,479</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	30,861	-	247,697	278,558
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>30,861</u>	<u>-</u>	<u>247,697</u>	<u>278,558</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 30,861</u>	<u>\$ -</u>	<u>\$ 256,589</u>	<u>\$ 287,450</u>

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



**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2014**

	Bond Building 31100	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 193,825	\$ 193,825
State grants	-	7,346	98,775	106,121
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services				
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>7,346</u>	<u>292,600</u>	<u>299,946</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	1,969	1,969
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	405,424	7,346	327,925	740,695
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>405,424</u>	<u>7,346</u>	<u>329,894</u>	<u>742,664</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(405,424)</u>	<u>-</u>	<u>(37,294)</u>	<u>(442,718)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	200,000	-	-	200,000
<i>Total other financing sources (uses)</i>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
<i>Net changes in fund balances</i>	<u>(205,424)</u>	<u>-</u>	<u>(37,294)</u>	<u>(242,718)</u>
<i>Fund balances - beginning of year</i>	<u>236,285</u>	<u>-</u>	<u>284,991</u>	<u>521,276</u>
<i>Fund balances - end of year</i>	<u>\$ 30,861</u>	<u>\$ -</u>	<u>\$ 247,697</u>	<u>\$ 278,558</u>

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
BOND BUILDING CAPITAL PROJECT FUND (31100)  
FOR THE YEAR ENDING JUNE 30, 2014

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	-	-	-	-
<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	407,433	487,255	456,394	30,861
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>407,433</u>	<u>487,255</u>	<u>456,394</u>	<u>30,861</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(407,433)</u>	<u>(487,255)</u>	<u>(456,394)</u>	<u>30,861</u>
<i>Other financing sources (uses):</i>				
Designated cash	207,433	287,255	-	(287,255)
Operating transfers	-	-	-	-
Proceeds from bond issues	200,000	200,000	200,000	-
<i>Total other financing sources (uses)</i>	<u>407,433</u>	<u>487,255</u>	<u>200,000</u>	<u>(287,255)</u>
<i>Net changes in fund balances</i>	-	-	(256,394)	(256,394)
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>287,255</u>	<u>287,255</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,861</u>	<u>\$ 30,861</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (256,394)	
Adjustments to revenues			-	
Adjustments to expenditures			50,970	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (205,424)</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND (31400)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement C-4

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	2,449	7,346	7,346	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,449</u>	<u>7,346</u>	<u>7,346</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	2,449	7,346	7,346	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,449</u>	<u>7,346</u>	<u>7,346</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>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 changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)  
FOR THE YEAR ENDING JUNE 30, 2014

Statement C-5

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 184,927	\$ 184,927	\$ 196,766	\$ 11,839
State grants	157,527	296,325	157,527	(138,798)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>342,454</u>	<u>481,252</u>	<u>354,293</u>	<u>(126,959)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,849	2,149	1,969	180
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	488,269	607,742	335,854	271,888
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>490,118</u>	<u>609,891</u>	<u>337,823</u>	<u>272,068</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(147,664)</u>	<u>(128,639)</u>	<u>16,470</u>	<u>145,109</u>
<i>Other financing sources (uses):</i>				
Designated cash	147,664	128,639	-	(128,639)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>147,664</u>	<u>128,639</u>	<u>-</u>	<u>(128,639)</u>
<i>Net changes in fund balances</i>	-	-	16,470	16,470
<i>Cash or fund balances - beginning of year</i>	-	-	128,639	128,639
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,109</u>	<u>\$ 145,109</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 16,470	
Adjustments to revenues			(61,693)	
Adjustments to expenditures			7,929	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (37,294)</u>	

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

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**DEBT SERVICE FUNDS**

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCE - BUDET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
DEBT SERVICE FUND (41000)  
FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 650,077	\$ 650,077	\$ 703,652	\$ 53,575
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>650,077</u>	<u>650,077</u>	<u>703,652</u>	<u>53,575</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	6,501	8,801	7,040	1,761
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	618,632	643,143	-	643,143
Principal	520,000	520,000	460,000	60,000
Interest	130,077	130,077	125,586	4,491
<i>Total expenditures</i>	<u>1,275,210</u>	<u>1,302,021</u>	<u>592,626</u>	<u>709,395</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(625,133)</u>	<u>(651,944)</u>	<u>111,026</u>	<u>762,970</u>
<i>Other financing sources (uses):</i>				
Designated cash	625,133	651,944	-	(651,944)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>625,133</u>	<u>651,944</u>	<u>-</u>	<u>(651,944)</u>
<i>Net changes in fund balances</i>	-	-	111,026	111,026
<i>Cash or fund balances - beginning of year</i>	-	-	651,944	651,944
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762,970</u>	<u>\$ 762,970</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 111,026	
Adjustments to revenues			(11,016)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 100,010</u>	

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

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**OTHER SUPPLEMENTAL INFORMATION**

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule I

	Balance June 30, 2013	Additions	Deletions	Adjustments	Balance June 30, 2014
High School	\$ 64,052	\$ 136,693	\$ 134,928	\$ -	\$ 65,817
Middle School	20,465	32,435	35,267	-	17,633
Elementary	27,545	31,561	30,428	-	28,678
Memorials/Scholarships	21,069	1,751	600	-	22,220
	<u>\$ 133,131</u>	<u>\$ 202,440</u>	<u>\$ 201,224</u>	<u>\$ -</u>	<u>\$ 134,348</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF PLEDGED COLLATERAL**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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, 2014</u>
<b>Wells Fargo Bank:</b>				
	FN-AS0025	7/1/2043	3138W9A34	\$ 901,881
	FN-AS0023	7/1/2043	3138W9AZ3	64,311
Total Wells Fargo Bank				<u>\$ 966,192</u>

The securities are held at Bank of New York Mellon, not in the District's name at the following address:  
 One Wall Street, Fourth Floor  
 New York, NY 10286

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS**  
**JUNE 30, 2014**

Schedule III

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
<b>Wells Fargo Bank</b>						
General Operational	Checking	\$ 1,841,799	\$ -	\$ 491,779	\$ 123,948	\$ 1,473,968
NMPSIA Clearing	Checking	21,046	-	21,046	-	-
Student Memorial & Scholarship	Checking	1,954	-	-	-	1,954
Student Memorial & Scholarship	Checking	4,316	-	-	-	4,316
Student Memorial & Scholarship	Checking	12,700	-	-	-	12,700
Student Scholarship	Savings	3,250	-	-	-	3,250
Total Wells Fargo Bank		<u>\$ 1,885,065</u>	<u>\$ -</u>	<u>\$ 512,825</u>	<u>\$ 123,948</u>	<u>\$ 1,496,188</u>

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
<b>Quay Schools FCU</b>						
Certificates of Deposit	CD	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>
Total Quay Schools FCU		<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
<b>Citizens Bank</b>						
Money Market - Operations		\$ 92,364	\$ -	\$ -	\$ -	\$ 92,364
Elementary Activity Fund	Checking	32,077	-	3,415	15	28,677
Middle School Activity Fund	Checking	17,746	-	147	35	17,634
High School Activity Fund	Checking	70,196	-	4,379	-	65,817
Total Citizens Bank		<u>\$ 212,383</u>	<u>\$ -</u>	<u>\$ 7,941</u>	<u>\$ 50</u>	<u>\$ 204,492</u>
Total		<u>\$ 2,597,448</u>	<u>\$ -</u>	<u>\$ 520,766</u>	<u>\$ 123,998</u>	<u>\$ 2,200,680</u>

<b>Cash per financial statements</b>						
Cash and cash equivalents - Government Activities Exhibit A-1						\$ 2,066,332
Fiduciary funds - Exhibit D-1						<u>134,348</u>
						<u>\$ 2,200,680</u>

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

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2014**

Schedule IV

**Primary Government**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2013	\$ 882,143	\$ -	\$ 29,497	\$ 104,475
Add:				
Current year revenues	8,456,582	523,252	64,861	560,299
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Bond proceeds	-	-	-	-
Loans from other funds	-	-	-	-
Total cash available	9,338,725	523,252	94,358	664,774
Less:				
Current year expenditures	(8,133,080)	(523,252)	(81,800)	(551,842)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(328,991)	-	-	-
Cash, June 30, 2014	<u>\$ 876,654</u>	<u>\$ -</u>	<u>\$ 12,558</u>	<u>\$ 112,932</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2014**

Schedule IV

**Primary Government**

	Athletics Account 22000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000
Cash, June 30, 2013	\$ 5,376	\$ (234,125)	\$ 86,461	\$ 20,114
Add:				
Current year revenues	14,452	905,697	180,692	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Bond proceeds	-	-	-	-
Loans from other funds	-	280,728	-	-
Total cash available	19,828	952,300	267,153	20,114
Less:				
Current year expenditures	(19,816)	(952,300)	(199,631)	(375)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	-	-	-	-
Cash, June 30, 2014	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 67,522</u>	<u>\$ 19,739</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2014**

Schedule IV

**Primary Government**

	State Flowthrough 27000	State Direct 28000	Local / State 29000	Bond Building Account 31100
Cash, June 30, 2013	\$ (8,975)	\$ 24,785	\$ 23,235	\$ 287,255
Add:				
Current year revenues	168,196	19,550	3,600	-
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Bond proceeds	-	-	-	200,000
Loans from other funds	48,263	-	-	-
Total cash available	207,484	44,335	26,835	487,255
Less:				
Current year expenditures	(207,484)	(13,560)	(19,635)	(456,394)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	-	-	-	-
Cash, June 30, 2014	<u>\$ -</u>	<u>\$ 30,775</u>	<u>\$ 7,200</u>	<u>\$ 30,861</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2014**

Schedule IV

**Primary Government**

	Spec. Capital Outlay-State 31400	Cap. Improv. SB 9 31700	Debt Service Fund 41000	Total
Cash, June 30, 2013	\$ -	\$ 128,639	\$ 651,944	\$ 2,000,824
Add:				
Current year revenues	7,346	354,293	703,652	11,962,472
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Bond proceeds	-	-	-	200,000
Loans from other funds	-	-	-	328,991
Total cash available	7,346	482,932	1,355,596	14,492,287
Less:				
Current year expenditures	(7,346)	(337,823)	(592,626)	(12,096,964)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	-	-	-	(328,991)
Cash, June 30, 2014	<u>\$ -</u>	<u>\$ 145,109</u>	<u>\$ 762,970</u>	<u>\$ 2,066,332</u>

The accompanying notes are an integral part of these financial statements



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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**

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
And the Board of Education of  
Tucumcari Public Schools  
Tucumcari, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the General Fund and major special revenue funds of the Tucumcari Public Schools (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated November 05, 2014.

**Internal Control Over Financial Reporting**

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

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weakness. (FS 2014-008)

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 2013-003, FS 2014-006, FS 2014-009, and FS 2014-010)

### **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 2010-002, FS 2014-001, FS 2014-002, FS 2014-003, FS 2014-004, FS 2014-005, FS-2014-007, and FS 2014-011.

### **Tucumcari Public Schools' 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 05, 2014

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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

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
And the Board of Education of  
Tucumcari Public Schools  
Tucumcari, New Mexico

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

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

## 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 items FA 2014-001 and FA 2014-003. 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 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.

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

*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. 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.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item FA 2014-002 to be a significant deficiency.

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

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 05, 2014



**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule V

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Education</b>			
<i>Passthrough State of New Mexico Public Education Department</i>			
Title I IASA	24101	84.010	\$ 495,104
IDEA B - Entitlement (1)	24106	84.027	311,894
New Mexico Autism Project (1)	24108	84.027	8,480
IDEA-B Preschool (1)	24109	84.173	20,246
IDEA-B "Risk Pool" (1)	24120	84.027	2,247
Teacher / Principal Training & Recruiting	24154	84.367	95,445
Rural & Low-Income Schools	24160	84.358	<u>18,071</u>
<b>Total U.S. Department of Education</b>			<u>951,487</u>
<b>U.S. Department of Health and Human Services</b>			
<i>Passthrough State of New Mexico Department of Health</i>			
Maternal/Child Health	25110	93.994	<u>4,696</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>4,696</u>
<b>U.S. Department of Agriculture</b>			
<i>Passthrough State of New Mexico Department of Education</i>			
National School Breakfast Program (1)	21000	10.553	135,956
National School Lunch Program (1)	21000	10.555	<u>405,408</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>541,364</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities) (1)	21000	10.553/ 10.555	<u>42,087</u>
<i>Subtotal - Passthrough State of New Mexico Department of Health and Human Services</i>			<u>42,087</u>
<b>Total U.S. Department of Agriculture</b>			<u>583,451</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 1,539,634</u>

(1) Denotes Major Federal Financial Assistance Program

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**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule V

**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 Tucumcari 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, 2014 was \$42,087 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	\$ 1,539,634
Total expenditures funded by other sources	<u>10,512,441</u>
Total expenditures	<u><u>\$ 12,052,075</u></u>

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

**STATE OF NEW MEXICO**  
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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**Section I – Summary of Audit Results**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditor’s 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?                                      | Yes        |
| 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
10.553 and 10.555 84.027 and 84.173	Child Nutrition Cluster Special Education Cluster (IDEA)

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |

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Schedule VI

**Section II – Financial Statement Findings**

**FS 2010-002 [2010-02] – 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 did not have an approved budget for the 2013-2014 fiscal year for Pre-K Initiative. However, the District expended \$72,284 from this fund, \$12,363 in the Instruction function and \$59,921 in the Student Transportation function.

*Cause:* The District receives funding from the Regional Education Cooperative (REC) which it is associated with for the Pre-K Initiative program. During the year under audit, the District received \$57,375 and an additional \$14,909 after year-end for reimbursement for funds expended during the fiscal year. However, the Public Education Department considers the budget to be at the REC level and doesn’t allow the District to budget the funds which are distributed to it from the REC. This causes a catch-22 for the District in that it is legally receiving the funds and expending the funds which the Public Education Department has allocated to it through the REC; however, for budgetary purposes the Public Education Department will not allow the District to budget those funds as that “would be budgeting the same funds twice – once at the REC and once at the District.” This now puts the District in violation of State statute which forbids expenditures without a budget. The District cannot spend the funds and stay in compliance with two contradictory conditions, thus the violation.

*Effect:* The District cannot spend the funds allocated to it without violating the above statute.

*Auditor’s Recommendation:* We recommend that the District continue to raise this issue with the Public Education Department by showing them that expenditure of funds allocated to them without allowing them to budget at the District level will continue to create a violation of statute and thus create a repeated finding for spending the funds.

*Responsible Official’s View:* This fund is budgeted with PED through the REC #6. We are not allowed to do the budget because it would be double budgeting according to PED. I have to record the expenditures because the employees are ours and I have to have a way to document what we have done so we can send the REC a budget report to reimburse us for what we have spent.

You will note that there is a 0 beginning balance and a 0 ending balance showing this is for record keeping only, and I have disclosed this to the auditors every year.

You will note that the money is not reimbursed by PED because there would be a negative amount at year end. The state can’t do the reimbursements like the REC does.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2013-003 [2013-03] – Purchase Orders and Payment Authorization (Significant Deficiency) – Repeated and Revised**

*Criteria:* Per Tucumcari Public Schools Purchasing Procedures and 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 testing of forty items in cash disbursements, we identified multiple instances in which proper procedures were not followed.

- We found 34 instances in which there was no proper receiving documentation to show when goods and/or services were received and who received them. These items ranged from \$26.98 to \$4,585.28.
- We found 3 instances in which the invoice was dated and/or received prior to the creation of a purchase order. The value for these transactions ranged from \$32.60 to \$1,313.72.
- We found one instance in which the invoice amount and the PO amount did not agree. The amount the check was written for was \$12,681.36 which was in excess of the purchase order amount.

During our review of 29 items in individually significant items we identified multiple instances in which proper procedures were not followed:

- We found 5 instances in which there was no receiving documentation to show when and by whom goods or services were received by the District. The value of these purchases ranged from \$28,390 to \$47,945.05.
- We noted 1 instance in which it appeared district personnel wrote on a purchase order to account for the proper cost of shipping and handling without making the entry in Visions. The value of this purchase was \$67,339.85.

During our review of activity disbursements we identified multiple instances in which proper procedures were not followed:

- We identified 7 instances in which the invoice for products was received prior to the creation of a purchase order. The value of these purchases ranged from \$65.00 to \$2,910.
- We identified 4 instances in which there was no invoice in the file to verify the purchase price. The value of these items ranged from \$7.00 to \$200.00
- We identified 1 instance in which the purchase order was less than the value of goods purchased. Purchase order was for \$300.00 but purchase amount was \$590.00
- We identified 2 instances in which there was no receiving documentation to verify who initially received the goods. The cost of these products ranged from \$7.00 and \$60.75.

During our review of travel and per diem reimbursements we identified three instances in which the purchase order was created after the employee had completed their travel. The amounts for these instances were \$10.20, \$45.77, and \$49.00.

*Cause:* District personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the District has a signed purchase order in place prior to order or reception of any goods and services. State guidelines require that goods and services received by a District have appropriate receiving documentation.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2013-003 [2013-03] – Purchase Orders and Payment Authorization (Significant Deficiency) – Repeated and Revised (continued)**

*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 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 purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to payment is authorized. Additionally, when goods and services are received by the District, someone must sign and date when the product or service was received.

*Responsible Official's View:* Receiving—Packages will be checked in, copies made of packing slip and purchase order. Both will be individually checked off, signed, dated and delivered to the Business Department DAILY before the packages leave the warehouse. Deliveries will be made to each location and signed for by the appropriate rep. Copies of packing slip and purchase order will be delivered to rep at that time. A log will be kept of all deliveries and packing slips turned over to the Business Dept. A copy of the log and packing slips will be kept by the warehouse clerk.

Business Office—We will continue to remind employees that purchase orders must be done in advance of ordering anything. If a purchase order needs to be adjusted it will happen before the invoice is paid.

Activities Elementary—PO will be done in advance of the order and adjusted if there is a difference in cost before paying. Packing slips will be kept with PO's.

Middle School—Staff will receive additional training of proper procedures for activity disbursements

High School—Will follow proper purchase requirements per district policy. Will make sure we have invoices on file. The PO's will match the invoices. Documentation will be in place to supplement the changes of PO's.

Travel and per-diem—A new form was put in place. Travel form asks if PO is attached. If not then the Administration is not supposed to sign off on.

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Schedule VI

**Section II – Financial Statement Findings**

**FS 2014 – 001 Improper Recording of Journal Entries (Other Matter)**

*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 found eight instances where the manual journal entry had no supporting documentation to show why journal entry was created. These entries ranged from \$2.00 to \$139,172.05. The journal entries include transfer of expenses to a more appropriate fund and correction of prior AJE’s. The District is having secondary review of those entries which provides for good internal control.

*Cause:* The District did not previously consider the need for supporting documentation of all journal entries.

*Effect:* District 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.

*Auditor’s Recommendation:* We recommend that management maintain supporting documentation for all journal entries and continue having secondary review of their journal entries.

*Responsible Official’s View:* Anyone who does a General Journal Entry –The Business Manager or the Business Support Personnel—will attach the documentation needed for the adjustment to the JE before it is given to Administration to sign.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-002 – Payroll Documentation of I-9s (Non-Compliance)**

*Criteria:* NMAC 6.20.2.18 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:

- Nine out of forty I-9's tested had incomplete documentation on file.
- Four out the forty were not dated
- Three out of forty had no I-9 on file
- One was not signed by the employee
- One did not have the proper identification documents

*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 Tucumcari 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 postdated. 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 View:* Personnel folders will be reviewed for current employees to make sure all I-9's are in order.



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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014 – 003 Background Checks and Licensing – (Non-Compliance)**

*Criteria:* According to 22-10A-5 C and D 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 one employee did not have a copy of their educator's license on file for the year under audit. The employee did have a license in file valid as of July 2014. Additionally in eleven out of 40 files reviewed there was no copy of a background check in the file.

*Cause:* Tucumcari Public Schools have not followed state guidelines in regards to documentation of licensure and background checks.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014 – 003 Background Checks and Licensing – (Non-Compliance) (continued)**

*Effect:* The School's failure to maintain a background check report in the employee file is a violation of state statute and puts the District and School at additional risk of liability for any actions that may arise regarding employees and not having licensure for all employees required does not comply with state regulations.

*Auditor's Recommendation:* We recommend that Tucumcari Public School's establish a policy regarding background checks and ensuring they are properly maintained within the employee personnel file.

*Responsible Official's View:* Personnel records will be reviewed to update all licenses on current employees. It will be noted in files of employees that have no background check when they were hired and if a background check was necessary at that time. If a background check is necessary it will be done.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014 – 004 – Incomplete Procedures for Purchases Requiring Quotations (Non-Compliance)**

*Criteria:* According to Tukumcari Public Schools purchasing guidelines, purchases of more than \$1,500 for goods and services require written quotations, amounts greater than \$20,000 require sealed bids for products, and services greater than \$60,000 requires sealed proposals.

*Condition:* During our review of cash disbursements (40 selections), we identified three purchases greater than \$1,500 which did not have written quotes in the file. These purchases were for \$1,560.00, \$2,143.75, and \$2,982.61.

During our review of activity disbursements (25 selections), we identified one purchase in which there were no quotes in the file. This purchase was for \$2,910.00

*Cause:* The District's guidelines require written quotes at a cost much less than what the state recognizes as a small purchase. The District requires that purchases greater than \$1,500.00 have written quotes to ensure the best price is obtained.

*Effect:* The District is not following its internal procedures for purchasing guidelines. Not following these procedures may also cost the District resources as the best obtainable prices may not be realized.

*Auditor's Recommendation:* We recommend that management reinforce the necessity of following proper purchasing guidelines. These guidelines should be reinforced through additional training to management, business office personnel, and member schools, all of which are involved in the purchase of goods and services. Additionally, the District may consider increasing the dollar value at which quotations are required. The state requirement is much higher, so additional training or a change in policy, or both, may be the best process going forward.

*Responsible Official's View:* Business Office—The office will monitor the requisitions closer before being approved.

Activities—Elementary—Will require these item for documentation: Requisition, Quotes, PO, Invoice, pkg slip, and ck voucher.

Middle School—Quote will be required from staff before po is processes. Secretary will verify quote with company.

High School—Guideline purchase procedures will be followed at THS with the requirements as stated in district policy

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-005 -- Timeliness of Deposits – Activity Funds (Non-Compliance)**

*Criteria:* 6.20.2.14 NMAC:

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 activity receipts, we noted two out of twenty five samples in which monies were not deposited timely. Deposits made in the amounts of \$480.65 and \$30.00 were not made within 24 hours of receipt. In the first instance the money was received by the school on or around 3/22/2014 but was not deposited until 4/10/2014. In the second instance the money was received by the school on or around 2/14/2014, and was deposited on 2/21/2014.

*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 View:* Activity—Elementary—Deposits will be made in a more timely manner, at least within a 24 hour time frame.

Middle School—Additional training will be provided to staff regarding the importance of timely deposits of money.

High School—Will emphasize on timely deposits and receipts of money in order to be compliant. Documentation will be provided if timely deposits are not met

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-006 – Lack of Supporting Documentation for Credit Card Purchases (Significant Deficiency)**

*Criteria:* Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “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.”

Additionally for emergency purchases certain documentation standards must be met as set out in 1.4.1.63 NMAC 1978:

A written determination of the basis for the emergency procurement shall be made containing the information set forth in statute and listed on the form issued by the state purchasing agent and available on the state purchasing agent’s website. Within three business days of awarding an emergency procurement, the awarding central purchasing office within a state agency shall:

- (1) provide the information required by statute to the department of information technology for posting on the sunshine portal; and
- (2) forward the same information to the legislative finance committee.

*Condition:* During our review of nine items in credit card compliance we found three purchases for which there were no detailed receipts to verify the tangible goods were received by the district. The purchases are as follows

- \$7.55 for meals purchased at McDonald’s
- \$2,232.05 for hotel stay for State FFA
- \$30.55 for State Cheer

Additionally the District made an emergency purchase for \$60.00 for which a purchase order was no in place before a water break and then proper documentation for an emergency purchase, as required in the statute listed above, was not documented.

*Cause:* District personnel have not followed state guidelines or internal procedures in the recording of purchased items. Good accounting procedures require the recording of receipts and invoices and that a valid PO be on file prior to procurement.

*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 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 purchasing of goods, services, or construction. All District Personnel need to be aware that a detailed receipt or invoice must be on file to verify goods and or services received. The District may also consider the creation of a purchase order created to the purchasing card at the beginning of the year to account for unforeseeable emergency purchases in order to be in compliance with state guidelines.

*Responsible Official’s View:* Elementary—If the requisition or itemized receipt is not received then payment is going to be refused.

Middle School—Detailed receipt will accompany good, In the event a receipt is not with goods, secretary will call company a request detailed receipt.

High School—Review of policy and procedures with persons who use credit cards will be done semiannually. District requirements will be emphasized again with notation of training meetings. Purchase card use will be suspended if procedures are not followed.

Business Office—There is a PO in place with the purchase card for supplies. Administration will be asked to use the purchase card for these emergencies.

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-007 – Federal Reporting Requirements (Non-Compliance)**

*Criteria:* 2.2.2.10 NMAC:

(2) IRS employee income tax compliance issues - noncompliance with these IRS requirements requires a current year audit finding:

(b) the auditor should test to ensure that agency personal service contractors (1099 employees) meet the IRS tests to qualify as contract labor and that employees with contractor characteristics are properly classified as employees; the relevant IRS criteria for these tests are available in chapter 2 of the IRS Publication 15-A, employer's summary tax guide; in the event a personal services contractor is in substance an employee, the governmental agency could be liable for the employee's share of FICA and employer FICA match on the contract payments; PERA or ERB could expect excess retirement payments to be refunded in some circumstances; see Sections 10-11-8(C) and 22-11-25 NMSA 1978;

*Condition:* During our review of W-9 and 1099 we noted the following deficiencies:

- 1 out of 14 vendors reviewed did not have a W-9 on file.
- 1 out of 14 vendors reviewed did not have a copy of the 1099 on file.

*Cause:* State and Federal reporting requirements are not being followed.

*Effect:* The District is in a violation of NMAC 2.2.2.10 and IRS regulations.

*Auditor's Recommendation:* We recommend that the District ensure that proper guidelines be followed in the retention of Federally mandated tax forms.

*Responsible Official's View:* Business Office—No payments will be made without a W-9 in hand. More effort will be made to make sure all 1099's are sent

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Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-008 – Improper Maintenance of Fixed Asset Records (Material Weakness)**

*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 the depreciation detail provided in previous audits and the current audit was not accurate, and contained the following issues:

- Prior audits detail did not include all fixed assets
- Prior audits detail did not include all depreciation
- Prior audits detail did not include proper date on which asset was placed in service
- Current audit detail does not include retirements which may or may not have been necessary
- Current audit detail did not include proper date on which asset was placed in service
- Current audit detail included assets not previously included
- Current audit detail did not include items which should have been capitalized instead of expensed
- Asset and depreciation details have not been properly reviewed and maintained

Additionally, the District did not have the Board certify a physical inventory of all the District's assets as required by State regulations.

*Cause:* District asset detail records had not been agreed to the audit records for total fixed assets or to the audit asset categories. District personnel disposed of fixed assets during the year without providing to the Business Office a detail of the fixed assets disposed of so that the Business Office could identify if those assets were on the fixed asset records. Professional service fees, such as architectural fees had not been capitalized.

The District was unaware that it was required to obtain a formal certification by the Board of its inventory of fixed assets.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-008 – Improper Maintenance of Fixed Asset Records (Material Weakness) (continued)**

*Effect:* The net value of fixed assets which were not reported in previous audits is \$1,675,020; the net value of fixed assets which were previously reported on prior audits but cannot be supported in District records is \$1,378,919, which resulted in a net change of \$296,101 to the fixed assets.

*Auditors' Recommendations:* We recommend that the District emphasize the importance of adherence to State guidelines in regards to fixed asset controls. Fixed asset and depreciation records should be maintained by category and all items that should be capitalized need to be collected and recorded. Additionally, District staff who dispose of assets should be trained in the importance of following State and District procedures for the proper disposal of assets.

*Responsible Official's View:* The district was not aware that the board needs to certify the physical inventory but will make sure it is done at the July Board Meeting from now on.

The district was not aware that past audits of fixed assets had been off and that there were any problems. The Fixed Asset Manager has a system in place to make sure construction projects are listed correctly on requisitions so construction projects are managed in the fixed asset program of Visions. Records will be maintained by category.



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TUCUMCARI PUBLIC SCHOOLS  
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FOR THE YEAR ENDED JUNE 30, 2014

Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-009 – Improper Recording of Disposed Assets (Significant Deficiency)**

*Criteria:* 13-6-1;

- B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:
- (1) designate a committee of at least three officials of the governing authority to approve and oversee the disposition; and
  - (2) give notification at least thirty days prior to its action making the deletion by sending a copy of its official finding and the proposed disposition of the property to the state auditor and the appropriate approval authority designated in Section 13-6-2 NMSA 1978, duly sworn and subscribed under oath by each member of the authority approving the action.
- C. A copy of the official finding and proposed disposition of the property sought to be disposed of shall be made a permanent part of the official minutes of the governing authority and maintained as a public record subject to the Inspection of Public Records Act [Chapter 14, Article 2 NMSA 1978].

2.2.2.10 NMAC 1978 Section T:

- (2) In the event a computer is included in the planned disposition, the agency shall “sanitize” or effectively make “inaccessible,” all licensed software and any electronic media pertaining to the agency; hard drive erasure or destruction certification is still required even if the asset originally cost less than the capitalization threshold at the time of purchase, and the asset was not included in the capital asset inventory; according to the May 5, 2002 memorandum from the chief information technology security and privacy office, “ordinary file deletion procedures do not erase the information stored on hard disks or other magnetic media; sanitizing erases or overwrites totally and unequivocally, all information stored on the media; there are three basic approaches:
- (a) purchasing and using a commercial degaussing product to erase magnetic disks;
  - (b) overwriting stored data a minimum of five times; or
  - (c) reformatting the drives (F diskling).”
- (3) Agencies and local governments disposing of any digital equipment with storage capabilities should take care to properly erase stored data prior to the intended disposition; agencies subject to the notification requirements of Subsection B of Section 13-6-1 NMSA 1978, must certify in writing the proper erasure or destruction of the hard drive and submit the written certification along with the notification of the proposed disposition of property, to the state auditor at least 30 days prior to taking action to dispose of the asset; the IPA shall test for compliance with this requirement; this is a special requirement of the state auditor and it applies even if the original purchase price of the digital equipment was less than \$5,000.

Additionally 6.20.1.18;

- B. For property whose fair market value is under \$5,000 and obsolete, or unusable, disposition may be made by:
- (1) negotiated sale to any governmental unit of an Indian nation, tribe or pueblo in New Mexico, or by negotiated sale or donation to other state agencies, local public bodies, school districts, state educational institutions or municipalities.
  - (2) sale at public auction,
  - (3) destruction,
  - (4) disposal of hazardous materials in compliance with environmental regulations, and
  - (5) sale through solicitation of written bids through the state purchasing division.
- C. For property whose fair market value is over \$5,000, disposition may be made only through written approval by the state budget division.
- D. All dispositions must be recorded in the fixed asset inventory records. Appropriate entries must also be made in the financial accounts to reflect the disposition of the property. Gains or losses on disposal must be recorded in funds where such accounting is required.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-009 – Improper Recording of Disposed Assets (Significant Deficiency) (continued)**

*Condition:* The District disposed of fixed assets during the school year and failed to meet the requirements of law:

- Prior to the disposition of assets the District did not commission a committee to approve and oversee the disposition of assets.
- Prior to the disposition of computers the District did not provide certification that the hard drives had been properly erased to the Office of the State Auditor at least 30 days prior to disposition.
- Prior to the disposition of fixed assets the District did not notify the State Auditor's office of its intent to dispose of assets and did not provide and keep a list of what items which were disposed of.
- Proper documentation and records of disposed assets was not kept by the District and was not recorded in the appropriate financial records.

*Cause:* District personnel did not follow proper disposition of assets procedures established by the District and the State. Some personnel were unaware of the requirements prior to providing old assets to a salvage company and didn't maintain a listing of the items provided to the salvage company.

*Effect:* The District was not in compliance with their guidelines or the guidelines of the State for disposition of assets. The disposal of assets without proper controls can lead to the misappropriation of assets in the extreme and can lead to maintaining improper asset records at a minimum.

*Auditors' Recommendations:* We recommend that the District emphasize the importance of adherence to State guidelines in regards to fixed asset dispositions and ensure that assets are not disposed without proper documentation and approval. Additionally, District staffs who dispose of assets should be trained in the importance of following State and District procedures for the proper disposal of assets.

*Responsible Official's View:* Per the Superintendent, in order to adhere to these State guidelines, the District will establish a more effective inventory tracking system. All district personnel will be trained on the system at appropriate levels. This will ensure proper procedures in the disposal, as well as, the transfer of assets.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014– 010 - Insufficient Pledged Collateral (Significant Deficiency)**

*Criteria:* According to 6-10-16 NMSA 1978, “deposits of public money shall be secured by (1) securities of the United States, its agencies or instrumentalities ; (2) securities of the state of New Mexico, its agencies, instrumentalities, counties, municipalities or other subdivisions; (3) securities, including student loans, that are guaranteed by the United State or the State of New Mexico; (4) revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated “BAA” or above by a nationally recognized bond rating services; or (5) letters of credit issued by a federal home loan bank”.

Also 6-10-17 NSMA 1978 states, “Any bank or savings and loan association designated as a depository of public money shall deliver securities of the kind specified in Section 6-10-16 NMSA 1978 to a custodial bank described in Section 6-10-21 NMSA 1978 and shall then deliver a joint safekeeping receipt issued by the custodial bank to the public official from whom or the public board from which the public money is received for deposit. The securities delivered shall have an aggregate value equal to one-half the amount of public money to be received in accordance with Subsection B of Section 6-10-16 NMSA 1978. However, any such bank or savings and loan association may deliver a depository bond executed by a surety company as provided in Section 6-10-15 NMSA 1978 as security for any portion of a deposit of public money.”

*Condition:* During our review of cash and pledged collateral requirements we observed the District has a CD which does not have sufficient collateralization. The CD is in the amount of \$500,000 which has FCUA insurance up to \$250,000 no additional collateralization was provided by the credit union. State law requires one half of all uninsured amounts to be collateralized, leaving the District \$125,000 short of statutory requirements.

*Cause:* The credit union has not provided collateralization and the District has not followed state guidelines.

*Effect:* The District’s deposits of public monies were not sufficiently collateralized according to state statute in the event of the credit union’s failure which could cause the loss of assets.

*Auditor’s Recommendation:* We recommend that management adequately monitor the collateralization of its deposits. Management should require written confirmation from the credit union regarding the type and fair value of the increased collateralization.

*Responsible Official’s View:* Tucumcari Schools is aware of the \$250,000.00 collateralization and aware that the Credit Union insurance can only cover one half of the uninsured amount. The district has opted to continue to have CD’s with Quay Schools Credit Union because they can offer a higher rate of return than other institutions at this time. Interest rates will be researched every time there is a renewal.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section II – Financial Statement Findings (Continued)**

**FS 2014-011 – Statutory Preferences in Bids and RFPs (Non-Compliance)**

*Criteria:* 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 that the District did not include scoring for statutory preferences.

*Cause:* District was unaware that the statutory preferences must be included on all bids and RFP's.

*Effect:* The District is not in compliance with State Purchasing Guidelines.

*Auditor's Recommendation:* We recommend that the District include statutory preferences and required scoring for all bids and RFP's

*Responsible official's view:* Procurement Officer will ask to be included on all bids and will monitor the bid process more closely.

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Schedule VI

**Section III – Federal Award Findings**

**FA 2014-001 – Improper Maintenance of Personnel Activity Reports (Non-Compliance)**

Federal Program Information:

Funding Agency: U.S. Department of Education  
Title: IDEA-B Entitlement and IDEA-B Preschool  
CFDA Number: 84.027 and 84.173  
Passthrough: New Mexico Department of Education  
Award Year: 2014

*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.

*Condition:* During our review of payroll and related documentation, we identified one employee who worked on the IDEA-B Preschool program and at least one additional program. The District did not keep any certifications to verify time and effort related to these federal programs though monthly certifications would be required.

We also identified four employees who worked exclusively on the IDEA-B Entitlement program which we tested in our payroll test work. The District did not maintain any certification to verify time and effort related to these federal programs though semi-annual certifications would be required.

Questioned Costs: Undeterminable

*Cause:* District personnel were unaware that activity reports need to be completed monthly or semi-annually for employees who work on a Federal program and non-Federal programs. Guidelines require semi-annual certifications from employees who work entirely on the program and monthly certifications for employees who work on other Federal or non-Federal programs as well as the IDEA-B Preschool program.

*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.

*Auditor's Recommendation:* We recommend that all individuals who manage Federal programs and those individuals who process payroll be trained on the requirements of personnel activity reports as they relate to payments using Federal funds.

STATE OF NEW MEXICO  
TUCUMCARI PUBLIC SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Schedule VI

**Section III – Federal Award Findings**

**FA 2014-001 – Improper Maintenance of Personnel Activity Reports (Non-Compliance) (Continued)**

*Responsible Official's View:* Time and effort sheets will be filled out either monthly or biannually as required for all employees being paid with Federal Funds.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section III – Federal Award Findings**

**FA 2014-002 – Improper Recording of Goods and or Services (Significant Deficiency)**

Federal Program Information:

Funding Agency: U.S. Department of Education

Title: IDEA-B Entitlement, New Mexico Autism Project, IDEA-B “Risk Pool”  
Federal School Breakfast and Federal School Lunch Program

CFDA Number: 84.027 and 84.173  
10.553 and 10.555

Passthrough: New Mexico Department of Education

Award Year: 2014

*Criteria:* According to OMB Circular A-102 §80.20(b):

- 2) *Internal Control-* Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property and other assets. Grantees and subgrantees must adequately safeguard all such property and must assure that it is used solely for authorized purposes.

*Condition:* During our review of disbursements and related documentation, we identified fifteen instances in which there were no receiving documentation to verify the goods received corresponded with purchases.

Questioned Costs: Undetermined

*Cause:* District personnel have not recorded the receipt of goods and products purchased with federal funds. The proper recording of goods and services received is required by both state and federal statutes.

*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 distributions.

*Auditor’s Recommendation:* We recommend that all individuals who manage Federal programs and those individuals who process payroll be trained on the requirements of internal controls as they relate to payments using Federal funds.

*Responsible Official’s View:* Packages will be checked in, copies made of packing slip and purchase order. Both will be individually checked off, signed, dated and delivered to the Business Department DAILY before the packages leave the warehouse. Deliveries will be made to each location and signed for by the appropriate rep. Copies of packing slip and purchase order will be delivered to rep at that time. A log will be kept of all deliveries and packing slips turned over to the Business Dept. A copy of the log and packing slips will be kept by the warehouse clerk.

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Schedule VI

**Section III – Federal Award Findings**

**FA 2014-003 – Late Data Collection Form Submission (Non-Compliance)**

Federal Program Information:

Funding Agency: U.S. Department of Education, U.S. Department of Health and Human Services, and U.S.  
Department of Agriculture

Title: All major programs

CFDA Number: All major programs

*Criteria:* According to OMB Circular A-133 Section .320(a) states that the Data Collection Form and audit report shall be submitted within the earlier of 30 days after receipt of the auditor's report, or nine months after the end of the audit period. Based on this regulation, the latest the District could have filed the Data Collection Form was March 31, 2014.

*Condition:* The Data Collection Form cannot be submitted to the Federal Audit Clearinghouse until the annual financial audit has been completed. Due to a late audit for June 30, 2013, the required filing was not completed by March 31, 2014.

Questioned Costs: Undetermined

*Cause:* The 2013 audit was initially rejected by the Office of the State Auditor. The OK to print notice was not received until January 7, 2014. The Data Collection Form was then not filed until after the March 31, 2014 deadline, which was later than the 30 day criteria.

*Effect:* The District is in violation of OMB Circular A-133 Section .320(a). This violation could potentially jeopardize the District's eligibility to receive federal funding. Late audit report submission also prevents the timely release of financial data.

*Auditor's Recommendation:* We recommend that audits be completed timely and that the District ensure that the Data Collection Form is then filed timely.

*Responsible Official's View:* Tucumcari Schools will ask for the audit to be complete with an exit conference prior to November 1<sup>st</sup> of each year. We will expect the auditor to have the final draft to us at least 3 days in advance of the exit conference so that the business office can verify the numbers and have time for corrections.

The District will verify the Federal Data Collection form is completed timely by asking the auditor to verify his submit date.



**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
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Schedule VI

**Section III – Prior Year Audit Finding**

FS 2010-002 [2010-02] Budgetary Controls – Repeated and Revised  
FS 2013-001 [2013-01] Negative Cash in Student Activity Funds - Resolved  
FS 2013-002 [2013-02] Bank Reconciliations – Resolved  
FS 2013-003 [2013-03] Cash Disbursements – Repeated and Revised  
FS 2013-004 [2013-04] Use of Property – Resolved  
FS 2013-005 [2013-05] Payroll – Resolved  
FS 2013-006 [2013-06] Cash Appropriations in Excess of Available Cash Balances – Resolved

**STATE OF NEW MEXICO**  
**TUCUMCARI PUBLIC SCHOOLS**  
**OTHER DISCLOSURES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**Auditor Prepared Financial Statements**

Manning Accounting and Consulting Services, LLC prepared the GAAP-basis financial statements and footnotes of Tucumcari Public Schools 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 on November 05, 2014. The following individuals were in attendance.

Tucumcari Public Schools

Dave Johnson--Assistant Superintendent  
Leif Gray--Board Member  
Leola Patterson--Business Manager  
Dianne Morrow--Business Support  
Lorinda Martinez--Business Support  
Teresa Bararras--Audit Committee  
Marion Payton—Board Secretary

Manning Accounting and Consulting Services, LLC

Byron R. Manning, CPA