

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

**AUDITED FINANCIAL STATEMENTS AND
ANNUAL FINANCIAL REPORT
WITH INDEPENDENT AUDITORS'
REPORT THEREON
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

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WAGON MOUND PUBLIC SCHOOLS**

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

OFFICIAL ROSTER

JUNE 30, 2014

Board of Education

Tony Rubin..... Chairman
Eddie Cruz Vice Chairman
Benito Armijo..... Secretary/Treasurer
J.D. Schmidt..... Member
Fred Muniz Member

School Officials

Albert Martinez..... Superintendent
Teresa P. Casias Business Manager



Independent Auditors' Report

Honorable Hector Balderas
New Mexico State Auditor
Santa Fe, New Mexico
and
The Board of Education
Wagon Mound Public Schools
Wagon Mound, New Mexico

Report on Financial Statements

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 the Wagon Mound School District (District), as of and for the year ended June 30, 2014, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, fiduciary funds and the budgetary comparisons for the capital project funds, debt service funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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 capital project funds, debt service funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information:

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

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The other schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 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.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants – CPAs
Albuquerque, New Mexico
October 15, 2014

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2014**

	Governmental Activities
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 113,011
Receivables	132,339
Inventory	2,703
Total Current Assets	248,053
Noncurrent Assets	
Capital Assets:	
Land	157,800
Land Improvements	729,572
Buildings and Building Improvements	9,077,358
Furniture, Fixtures and Equipment	800,933
Less: Accumulated Depreciation	(5,943,930)
Total Noncurrent Assets	4,821,733
Total Assets	\$ 5,069,786
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 21,470
Accrued Payroll	740
Accrued Interest Payable	7,397
Accrued Compensated Absences	17,445
Current Portion of Long-Term Debt	60,000
Total Current Liabilities	107,052
Noncurrent Liabilities:	
Bond Due in More than One Year	1,080,000
Total Noncurrent Liabilities	1,080,000
Total Liabilities	1,187,052
NET POSITION	
Net Investment in Capital Assets	3,683,746
Restricted for:	
Special Revenue	57,690
Capital Projects	27,610
Debt Service	25,612
Unrestricted	88,076
Total Net Position	3,882,734
Total Liabilities and Net Position	\$ 5,069,786

See Independent Auditors' Report and Notes to Financial Statements

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

<u>Functions and Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenues and</u>
		<u>Services</u>	<u>Grants and</u>	<u>and Changes</u>
			<u>Contributions</u>	<u>in Net Assets</u>
PRIMARY GOVERNMENT				
Governmental Activities	\$ 1,915,811	\$ 37,700	\$ 276,154	\$ (1,601,957)
Support Services	341,601	-	-	(341,601)
Food Services Operation	42,566	-	-	(42,566)
Operation and Maintenance - Plant	19,913	-	-	(19,913)
Bond Interest Expense	44,168	-	-	(44,168)
Central Services	425,235	-	-	(425,235)
Total Governmental Activities	<u>\$ 2,789,294</u>	<u>\$ 37,700</u>	<u>\$ 276,154</u>	<u>\$ (2,475,440)</u>
General Revenues:				
Property Taxes:				
General Purpose				11,384
Capital Projects				51,565
Debt Service				105,034
State Equalization Guarantee Revenue				<u>1,964,749</u>
Total General Revenues				<u>2,132,732</u>
Change in Net Position				(342,708)
Beginning Net Position				<u>4,225,442</u>
Ending Net Position				<u>\$ 3,882,734</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2014**

	Operational	Pupil Transportation	Instructional Materials	Title I IASA
ASSETS				
Cash and Temporary Investments	\$ 133,274	\$ 28,612	\$ 728	\$ -
Receivables:				
Due From Other Governments	-	-	-	49,150
Property Taxes	92	-	-	-
Inventory	-	-	-	-
Total Assets	\$ 133,366	\$ 28,612	\$ 728	\$ 49,150
LIABILITIES AND FUND BALANCES				
Liabilities				
Cash Overdraft	\$ -	\$ -	\$ -	\$ 49,115
Accounts Payable	20,360	-	-	-
Accrued Liabilities	-	-	-	-
Other Liabilities	489	-	-	-
Total Liabilities	20,849	-	-	49,115
FUND BALANCES				
Nonspendable:				
Inventories	-	-	-	-
Restricted for:				
Pupil Transportation	-	28,612	-	-
Instructional Materials	-	-	728	-
Special Revenue	-	-	-	35
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Unassigned:	112,517	-	-	-
Total Fund Balances	112,517	28,612	728	35
Total Liabilities and Fund Balances	\$ 133,366	\$ 28,612	\$ 728	\$ 49,150

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
BALANCE SHEET – GOVERNMENTAL FUNDS (continued)
AS OF JUNE 30, 2014**

	Entitlement IDEA-B	Educational Technology Equipment Act	Other Governmental Funds	Total Primary Government
ASSETS				
Cash and Temporary Investments	\$ -	\$ -	\$ 205,708	\$ 368,322
Receivables:				
Due From Other Governments	-	-	52,472	101,622
Interfund Receivables	-	-	-	-
Property Taxes	29,187	-	1,438	30,717
Inventory	-	-	2,703	2,703
Total Assets	\$ 29,187	\$ -	\$ 262,321	\$ 503,364
LIABILITIES AND FUND BALANCES				
Liabilities				
Cash Overdraft	\$ 40,316	\$ 109,432	\$ 56,448	255,311
Accounts Payable	-	-	1,110	21,470
Accrued Liabilities	-	-	251	251
Other Liabilities	-	-	-	489
Unearned Revenue	-	-	-	-
Bonds Payable - Current	-	-	-	-
Bonds Payable - Noncurrent	-	-	-	-
Total Liabilities	40,316	109,432	57,809	277,521
FUND BALANCES				
Nonspendable:				
Inventories	-	-	2,414	2,414
Restricted for:				
Pupil Transportation	-	-	-	28,612
Instructional Materials	-	-	-	728
Special Revenue	(11,129)	-	39,444	28,350
Capital Projects	-	(109,432)	137,042	27,610
Debt Service	-	-	25,612	25,612
Unassigned:	-	-	-	112,517
Total Fund Balances	(11,129)	(109,432)	204,512	225,843
Total Liabilities and Fund Balances	\$ 29,187	\$ -	\$ 262,321	\$ 503,364

See Independent Auditors' Report and Notes to Financial Statements

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

	Governmental Funds
Amounts reported for governmental activities in the statement of net position are different because:	
Fund Balance - Total Governmental Funds	\$ 225,843
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	4,821,733
Long-Term Liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	(1,140,000)
Accrued Interest Payable	(7,397)
Accrued compensated absences	(17,445)
Net Position per Statement of Net Position	\$ 3,882,734

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

	Operational	Pupil Transportation	Instructional Materials	Title I IASA
REVENUES:				
Taxes	\$ 11,384	\$ -	\$ -	\$ -
Charges for Services	34,904	-	-	-
Local Sources	-	-	-	-
State Sources	1,692,789	148,987	-	-
Federal Sources	5,147	-	-	124,613
Earnings from Investments	(599)	-	-	-
Other	4,741	-	3,386	-
Donations	49,951	-	-	-
Total Revenues	<u>1,798,317</u>	<u>148,987</u>	<u>3,386</u>	<u>124,613</u>
EXPENDITURES:				
Current:				
Direct Instruction	1,754,156	132,915	2,844	-
Instructional Support	498	-	-	119,425
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	5,193
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
TOTAL EXPENDITURES	<u>1,754,654</u>	<u>132,915</u>	<u>2,844</u>	<u>124,618</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>43,663</u>	<u>16,072</u>	<u>542</u>	<u>(5)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	43,663	16,072	542	(5)
Fund Balance at Beginning of Year	<u>68,854</u>	<u>12,540</u>	<u>186</u>	<u>40</u>
Fund Balance at End of Year	<u>\$ 112,517</u>	<u>\$ 28,612</u>	<u>\$ 728</u>	<u>\$ 35</u>

See Independent Auditors' Report and Notes to Financial Statements

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

	Entitlement IDEA-B	Educational Technology Equipment Act	Other Governmental Funds	Total Primary Government
REVENUES:				
Taxes	\$ -	\$ -	\$ 156,599	\$ 167,983
Charges for Services	-	-	2,796	37,700
Local Sources	-	-	-	-
State Sources	-	-	122,973	1,964,749
Federal Sources	39,255	-	25,991	195,006
Earnings from Investments	-	-	100	(499)
Other	-	-	-	8,127
Donations	-	-	23,569	73,520
Total Revenues	<u>39,255</u>	<u>-</u>	<u>332,028</u>	<u>2,446,586</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	1,889,915
Instructional Support	41,611	-	122,151	283,685
Food Services	-	-	33,124	33,124
Other	-	-	57,916	57,916
Capital Outlay	-	-	100,796	105,989
Debt Service:				
Bond Principal	-	-	60,000	60,000
Bond Interest	-	-	44,168	44,168
TOTAL EXPENDITURES	<u>41,611</u>	<u>-</u>	<u>418,155</u>	<u>2,474,797</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,356)</u>	<u>-</u>	<u>(86,127)</u>	<u>(28,211)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(2,356)	-	(86,127)	(28,211)
Fund Balance at Beginning of Year	<u>(8,773)</u>	<u>(109,432)</u>	<u>290,639</u>	<u>254,054</u>
Fund Balance at End of Year	<u>\$ (11,129)</u>	<u>\$ (109,432)</u>	<u>\$ 204,512</u>	<u>\$ 225,843</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND 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**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net Change in Fund Balance - Total Governmental Funds	\$ (28,211)
 Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period:	
Depreciation Expense	(467,106)
Capital Outlay	<u>105,989</u>
	(361,117)
Bond Interest Payment	(7,397)
Increase in Compensated Absences	(5,983)
Principal Payments on Bonds	<u>60,000</u>
Change in Net Position - Total Governmental Activities	<u>\$ (342,708)</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
OPERATIONAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ 10,743	\$ 10,743	\$ 11,384	\$ 641
Charges for Services	44,218	44,218	34,904	(9,314)
Local Sources	-	-	-	-
State Sources	1,691,424	1,691,424	1,692,607	1,183
Federal Sources	-	-	5,147	5,147
Earnings from Investments	10,000	10,000	(599)	(10,599)
Other	4,700	4,700	4,741	41
Donations	2,700	2,700	49,951	47,251
Total Revenues	<u>1,763,785</u>	<u>1,763,785</u>	<u>1,798,135</u>	<u>34,350</u>
EXPENDITURES:				
Current:				
Direct Instruction	1,789,746	1,798,255	1,750,087	48,168
Instructional Support	-	-	498	(498)
Food Services	44,568	52,492	-	52,492
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>1,834,314</u>	<u>1,850,747</u>	<u>1,750,585</u>	<u>100,162</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(70,529)</u>	<u>(86,962)</u>	<u>47,550</u>	<u>134,512</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(70,529)	(86,962)	47,550	134,512
Fund Balance at Beginning of Year	-	-	68,854	68,854
Fund Balance at End of Year	<u>\$ (70,529)</u>	<u>\$ (86,962)</u>	<u>\$ 116,404</u>	<u>\$ 203,366</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
PUPIL TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	158,933	149,190	148,987	(203)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>158,933</u>	<u>149,190</u>	<u>148,987</u>	<u>(203)</u>
EXPENDITURES:				
Current:				
Direct Instruction	158,933	149,810	133,935	15,875
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>158,933</u>	<u>149,810</u>	<u>133,935</u>	<u>15,875</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(620)</u>	<u>15,052</u>	<u>15,672</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(620)	15,052	15,672
Fund Balance at Beginning of Year	-	-	12,540	12,540
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (620)</u>	<u>\$ 27,592</u>	<u>\$ 28,212</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Other	3,507	3,507	3,386	(121)
Donations	-	-	-	-
Total Revenues	<u>3,507</u>	<u>3,507</u>	<u>3,386</u>	<u>(121)</u>
EXPENDITURES:				
Current:				
Direct Instruction	3,507	3,692	2,844	848
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>3,507</u>	<u>3,692</u>	<u>2,844</u>	<u>848</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(185)</u>	<u>542</u>	<u>727</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(185)	542	727
Fund Balance at Beginning of Year	-	-	186	186
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (185)</u>	<u>\$ 728</u>	<u>\$ 913</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
TITLE I IASA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	109,759	132,399	141,169	8,770
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>109,759</u>	<u>132,399</u>	<u>141,169</u>	<u>8,770</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	109,759	132,399	124,660	7,739
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>109,759</u>	<u>132,399</u>	<u>124,660</u>	<u>7,739</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>16,509</u>	<u>16,509</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	16,509	16,509
Fund Balance at Beginning of Year	-	-	40	40
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,549</u>	<u>\$ 16,549</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
ENTITLEMENT IDEA-B FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	41,277	53,860	36,105	(17,755)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>41,277</u>	<u>53,860</u>	<u>36,105</u>	<u>(17,755)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	41,277	53,860	41,611	12,249
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>41,277</u>	<u>53,860</u>	<u>41,611</u>	<u>12,249</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(5,506)</u>	<u>(5,506)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(5,506)	(5,506)
Fund Balance at Beginning of Year	-	-	(289)	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,795)</u>	<u>\$ (5,506)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
EDUCATIONAL TECHNOLOGY EQUIPMENT ACT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	(109,432)	-
Fund Balance at End of Year	\$ -	\$ -	\$ (109,432)	\$ -

See Independent Auditors' Report and Notes to Financial Statements

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

	Private Purpose Trust Fund	Agency Fund
Assets		
Cash and Cash Equivalents	\$ 7,578	\$ 35,253
Unrestricted Investments	30,673	-
Total Assets	\$ 38,251	\$ 35,253
Liabilities		
Due to Student Groups	\$ 38,251	\$ 35,253

**STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS
FOR THE YEAR NEDED JUNE 30, 2014**

Balance 6/30/2013	Additions	Deletions	Balance 6/30/2014
\$ 26,409	\$ 48,625	\$ 1,530	\$ 73,504

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Wagon Mound Public School District (District) has been in existence since the early 1900s and is currently operating under the provision of the Public School Code, Chapter 22 of the New Mexico Statutes Annotated, 1978 and is governed by a five member Board (Board) each elected for four year terms by registered voters of the District.

The District's financial statements 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 and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

A. Reporting Entity

GASB Statement No. 61 and the amendment of GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a primary government since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 61, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has no component units, as defined by GASB as there are no other legally separate organizations for which the elected School Board members are financially accountable.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally 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

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

include charges to customers or applicants who purchase, use, or benefit directly from goods, services or privileges provided by a given function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

C. Measurement Focus and Basis of Accounting

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 has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectible amounts, in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 are generally recorded when the related liability is incurred, the same 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 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 requirement 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 District.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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 grants 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.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private sector guidance.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which include revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools and Magnet School funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expenses of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

D. Basis of Presentation

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

Governmental Funds

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

General Fund

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for another fund.

Special Revenue Funds

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

Capital Projects 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.

Debt Service Funds

The Debt Service Fund accounts for the services of long-term debt not being financed by proprietary or non-expendable trust funds.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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 (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

General Fund

General Fund (11000) – The primary operating fund of the District accounts for all financial resources except those required to be account for in other funds. Per GASB, the General Fund is always considered a major fund.

The Pupil Transportation Fund (13000) – used to account for the State Equalization received from the NM Public Education Department (PED), which is used to pay for the costs associated with transporting school-age children. This is considered by PED to be a sub-fund of the General Fund.

Instructional Materials Fund (14000) – used to account for the monies received from PED 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.

Special Revenue Funds

Title I IASA Fund (24101) – provides supplemental educational opportunities for academically disadvantaged children residing in the area. Campuses are identified for program participation by the percentage of students on free or reduced price lunch plans. 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 criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the PED. Authority for creation of this fund is Part A of the Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Entitlement IDEA-B (24106)

The Entitlement IDEA-B program is 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 619, as amended, 20 U.S.C. 1711-1417 and 1420.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

Capital Projects Fund

Educational Technology Equipment Act (31900)

To account for purchases of computer equipment and computer software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the Fiscal Year 1996, Public Law 104-106.

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

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the District's programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. The fiduciary fund consists of the following two funds:

The Private Purpose Trust Fund – accounts for assets held by the District as an agent for the Wagon Mound Public Library Board of Directors. The intent of the donors was that principal and income of stock donated to the District could only be used for the School library.

The Agency Funds – accounts for resources held by the District in a purely custodial capacity (assets equal liabilities). Agency funds typically involve the receipt, temporary investment, and remittance of fiduciary resources to student activity groups.

GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions effective for reporting periods beginning after June 15, 2010. The statement establishes fund balance classifications, provides for a hierarchy or spending constraints for spendable resources and requires disclosures of nonspendable and spendable resources.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

E. Assets, Liabilities, Deferred Outflows / Inflows of Resources and Net Position / Fund Balance

1. Deposits and Investments

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

State statutes authorize the investment of the District's funds in a wide variety of instruments, including certificates of deposit and other similar obligations, state investment pool and money market accounts. The District is also allowed to invest in United States Government obligations. All funds of the District must follow these investment guidelines.

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

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

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

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.

2. Receivables and Payables

Activity between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds".

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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

The District receives monthly income from a tax levy in Mora 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 Mora 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 and other funds are operated on a cash advance method of funding. The funds incur the cost and then submit the necessary request for reimbursement or advance, respectively.

3. 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.

4. Instructional Materials

PED receives federal material leasing funds from which it makes annual allocations to various schools districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the PED "State Adopted Instructional Manual" list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash drawdowns or transfers to the other fifty percent account for requisitions of materials from the adopted list.

5. Inventories

Inventory is valued at lower of cost (first in, first out) or market. Inventory in the Special Revenue Funds consists of USDA commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed. The USDA commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenues. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

do not constitute available spendable resources even though they are a component of net current assets.

6. Capital Assets

Capital assets, which include property, plant and equipment (including computer software), 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 and estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide statements. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. Library books are also being capitalized and depreciated. Donated capital assets are recorded at estimated fair market value at the date of donation. During the year ended June 30, 2014, the District received no donated capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful life are not capitalized. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2014.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings	40 - 50
Building Improvements	20
Land Improvements	10 - 20
Vehicles	5 - 7
Office Equipment	5
Computer Equipment	3 - 5

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

7. Compensated Absences

All personnel employed by the District are entitled to leave as per the following categories and schedules.

Annual leave – Twelve month employees are entitled to annual leave with full pay computed as follows:

- 1 – 4 consecutive years of employment: 10 days
- 5 – 19 consecutive years of employment: 15 days
- 20 plus consecutive years of employment: 20 days

Twelve month employees who have resigned, retired or who have been laid off or dismissed are entitled to and shall be paid for a maximum of 20 days of earned and unused annual leave.

The District's recognition and measurement criteria for compensated absences follow GASB Statement No. 16, which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by employees if the employees right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits at termination or retirement.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account Compensated Absences Payable in the fund from which the employees who have accumulated unpaid leave are paid. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide Statement of Net Position.

8. Unearned Revenues

The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be "available" under the current financial resources measurement focus are reported as unearned revenues in the governmental fund financial statements. For the fiscal year ended June 30, 2014, there was no unearned revenue.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

9. Deferred Outflows / Inflows of Resources

GASB 63 amended previous guidance on deferred revenue in the government-wide and fund level financial statements to include deferred outflows, which is the consumption of net position by the government which is applicable to a future reporting period and deferred inflow of resources, which is the acquisition of net position by the government which is applicable to a future reporting period. The District has no deferred outflow or inflow of resources at June 30, 2014

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

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

11. Fund Balance and Net Position

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

Net Investment in Capital Assets: This component 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: Net position is reported as restricted when constraints placed on net position use either (1) externally imposed by creditors, grantors, contributions or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position: Net position which does not meet the definition of "restricted" and "net investment in capital assets".

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
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In the fund financial statements, governmental funds report aggregate amounts for several classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form (prepaid items, inventories) or legally contractually required to be maintained intact. The District has inventories that are considered nonspendable. The District will maintain a fund balance equal to the value of inventory balances and prepaid items (to the extent that such balances are not offset by liabilities and actually result in fund balance. The District does not have any prepaid items or nonspendable funds related to endowments.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

Nonspendable fund balances includes amount that are not in spendable form or are legally or contractually required to be maintained intact. This criterion includes items that are not expected to be converted to cash such as inventories, prepaid items and long-term notes receivable.

Restricted fund balances are constrained by external parties, constitutional provisions or enabling legislation.

Committed fund balances contain self-imposed constraints of the government from its highest level of decision making authority or the Board of Education. Commitments will only be used for specific purposes pursuant to a formal action by the Board of Education.

Assigned fund balances contain self-imposed constraints of the government to be used for a particular purpose.

Unassigned fund balances of the general fund are not constrained for any particular purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then restricted resources – committed, assigned, and unassigned in that order.

Nonspendable refers to inventories totaling \$2,703 that are classified as nonspendable.

Spendable refers to the Districts spendable fund balances as restricted, assigned and unassigned and considers each to have been spent when expenditures are incurred. The District currently has no funds classified as committed.

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Restricted for grant activates, food services, instructional materials, debt service, capital projects and pupil transportation means that federal and state statutes require that certain revenues be specifically designed for the purposes of federal and state grant activities, food services, debt service and capital projects. The funds have been included in restricted category of fund balance.

12. 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.

13. Indirect Costs

The District's general fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the special revenue funds. They are shown as expenditures in the special revenue funds and as other special federal revenue in the general fund.

14. Estimates

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

15. Revenues

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

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A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration early childhood education, basic education, special education, bilingual multicultural education, size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$1,964,749 in state equalization guarantees 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. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be measurable and available. The District recognized \$167,983 in tax revenues during the year ended June 30, 2014. Descriptions of the individual debt service and capital outlay funds found in these financial statements include information regarding the authority for the collection and use of these taxes.

Mora County levies and collects the property taxes on real property for Wagon Mound Public Schools on November 10 and April 10 of each year. Taxes become delinquent by December 10 and May 10, respectively and liens are filed by Mora County on property that is delinquent for three years. Property taxes collected and held by the county at year-end on behalf of the District are included in an account called Due From Other Governments.

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 \$149,190 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 the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the PED for the year ended June 30, 2014 totaled \$3,386.

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Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. 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, and the capital outlay expenditures are limited to the purchase or construction of temporary or permanent classrooms.

The council shall approve an application for grant assistance from the fund when the council determines that:

- A critical need exists requiring action;
- The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
- The School district has used its resources in a prudent manner;
- The District is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year as certified by the property tax division; and
- The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

The council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The council shall list all applications in order of priority and all allocations shall be made on a priority basis.

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

During the year ended June 30, 2014, the District did not receive any special capital outlay (state) funds.

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

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the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District did not receive any instate SB-9 matching during the year ended June 30, 2014.

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 in the Special Revenue funds. Each program operates under its own budget, which has been approved by the Federal Department or the flow-through agency (usually PED). The various budgets are approved by the Local School Board and the PED.

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.

F. Budgetary Information

Budgets for the general, special revenue, capital projects and debt service funds are prepared by management and are approved by the local Board and Public School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

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

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

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting is 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. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board and the PED.
5. 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 New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting them in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
9. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenues funds, debt service funds and capital projects funds.

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10. Budgets for the general, special revenue, debt service and capital projects funds are adopted on a basis not consistent with GAAP. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balances. 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 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.

2. Cash and Temporary Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts and United States Government Obligations.

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

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.

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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. Additionally, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

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

Custodial Credit Risk

Custodial credit risk is the risk that in the vent of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued to the District for at least one-half of the amount on deposit with the institution. The stated listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2014, none of the Districts' bank balance of \$470,174 was exposed to custodial risk as follows:

	Wells Fargo Bank	First Community Bank	Total
	<hr/>	<hr/>	<hr/>
Total Amount of Deposits	\$ 469,614	\$ 560	\$ 470,174
Less: FDIC Coverage	<u>(250,000)</u>	<u>(560)</u>	<u>(250,560)</u>
Total Uninsured Public Funds	\$ 219,614	\$ -	\$ 219,614
 Pledged Collateral Held by Pledging Bank's Trust or Agent but not in District's Name	 <u>128,984</u>	 <u>-</u>	 <u>128,984</u>
Uninsured and Uncollateralized	90,630	-	-
 Collateral requirement (50% of uninsured public funds)	 109,807	 -	 109,807
Pledged Securities	<u>128,984</u>	<u>-</u>	<u>128,984</u>
Total (Over) Under Collateralized	<u>\$ (19,177)</u>	<u>\$ -</u>	<u>\$ (19,177)</u>

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The collateral pledged is listed on page 93 of this report. 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.

As of June 30, 2014, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities Less Than One Year
Common Stock	\$ 30,673	\$ 30,673

Reconciliation of Cash and Temporary Investments

Governmental Funds - Balance Sheet:

Cash and Cash Equivalents	\$ 368,322
Cash Overdraft	(255,311)
Common Stock - Fiduciary Fund	30,673
Cash - Statement of Fiduciary Net Assets	42,831
Total Cash	186,515
Less: Common Stock	(30,673)
Reconciled Balance of Deposits	\$ 155,842

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. 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.

3. Receivables

Receivables as of June 30, 2014 are as follows:

	Non-Major Funds
Receivables:	
Due From Other Governments	\$ 131,112
Property Tax	1,227
Total Receivables	\$ 132,339

See Independent Auditors' Report

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The above receivables are deemed 100% collectible. In accordance with the GASB statement No. 33, property tax receivables should be presented net of deferred revenues on the governmental fund financial statements. However, we were unable to obtain the delinquent property tax listing from the District.

4. Interfund Receivables, Payable and Transfers

Interfund balances have been primarily recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. There were no interfund receivables or payables at June 30, 2014.

5. Capital Assets

Capital asset activity for the year ended June 30, 2014 was as follows:

Governmental Activities	June 30, 2013	Increases	Decreases	June 30, 2014
Capital assets not being depreciated:				
Land	\$ 157,800	\$ -	\$ -	\$ 157,800
Construction in Progress	957,737	-	957,737	-
Total Capital Assets not being depreciated	1,115,537	-	957,737	157,800
Capital assets being depreciated:				
Land Improvements	729,572	-	-	729,572
Buildings and Improvements	8,024,018	1,053,340	-	9,077,358
Equipment and Vehicles	790,547	10,386	-	800,933
Total Capital Assets being depreciated	9,544,137	1,063,726	-	10,607,863
Less: Accumulated Depreciation for:				
Land Improvements	497,907	29,169	-	527,076
Buildings and Improvements	4,450,025	383,813	-	4,833,838
Furniture, Fixtures and Equipment	528,892	54,124	-	583,016
Total Accumulated Depreciation	5,476,824	467,106	-	5,943,930
Total Capital Assets being Depreciated, Net	4,067,313	596,620	-	4,663,933
Capital Assets, Net	\$ 5,182,850	\$ 596,620	\$ 957,737	\$ 4,821,733

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Depreciation has been allocated to the functions in the following amounts:

<u>Allocated Depreciation Expense:</u>	<u>Amount</u>
Instruction	\$ 12,516
Operation and Maintenance of Plant	19,913
Food Services	9,442
Transportation	22,518
Other	12,169
Central Services	<u>390,548</u>
Total	<u><u>\$ 467,106</u></u>

6. Long-Term Debt

During the year ended June 30, 2014, the following changes occurred in liabilities reported in the general obligation bonds account group:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Bonds Payable	\$ 1,200,000	\$ -	\$ 60,000	\$ 1,140,000	\$ 60,000
Compensated Absences	<u>11,462</u>	<u>5,983</u>	<u>-</u>	<u>17,445</u>	<u>17,445</u>
Total	<u><u>\$ 1,211,462</u></u>	<u><u>\$ 5,983</u></u>	<u><u>\$ 60,000</u></u>	<u><u>\$ 1,157,445</u></u>	<u><u>\$ 77,445</u></u>

	<u>Balance June 30, 2014</u>
Bonds Payable	\$ 1,140,000
Less: Current Maturities	<u>(60,000)</u>
Total Non-Current Liabilities	<u><u>\$ 1,080,000</u></u>

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the District boundaries. The details of the bonds and notes as of June 30, 2014 are as follows:

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General Obligation Bonds	Amount	Interest Rates	June 30, 2014	Within One Year
Series 2011	\$ 800,000	3.50% to 3.85%	\$ 650,000	\$ 50,000
Series 2012	500,000	2.90% to 3.50%	490,000	10,000
Total	\$ 1,300,000		\$ 1,140,000	\$ 60,000

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds			
Year Ending June 30,	Principal	Interest	Total Requirements
2015	\$ 60,000	\$ 39,293	\$ 99,293
2016	60,000	37,193	97,193
2017	70,000	35,063	105,063
2018	70,000	32,513	102,513
2019	80,000	29,973	109,973
2020-2024	525,000	101,550	626,550
2025-2029	275,000	19,650	294,650
Total	\$ 1,140,000	\$ 295,235	\$ 1,435,235

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The liquidation of bonds payable is done with resources from the debt service funds.

7. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability, and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91

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members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member's premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or re-insurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2014.

The NMPSIA provides coverage for up to a maximum of \$500 million for each property damage claim with a \$750 deductible for 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.

8. Pension Plan – Education Retirement Board

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

Funding Policy

Member Contributions

Plan members 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 10.7% of their gross salary in fiscal year 2015 and thereafter.

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Employer Contributions

The District contributed 13.15% of gross covered salary in fiscal year 2014. In fiscal year 2015 The District will contribute 13.9% of gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2014, 2013, and 2012, were \$157,429, \$123,698 and \$112,523, respectively, which equal the amount of the required contributions for each fiscal year.

9. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

Funding Policy - The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing

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authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 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 \$23,923, \$22,380 and \$21,251, respectively, which equal the required contributions for each year.

10. 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.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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.

11. Budgeted Activity Funds

The Student Activity Funds, while budgeted under the Non-Instructional Support in the financial statements, are considered for reporting purposes as agency funds and related activity has been reported as such in the Statement of Changes in Assets and Liabilities – All Agency Funds section of the financial statements.

12. Subsequent Events

The District has evaluated subsequent events through October 15, 2014, the date which the financial statements were available to be issued.

13. Actual Expenditures in Excess of Budgeted Expenditures:

The District had the following expenditure functions where actual expenditures exceeded budgetary authority:

Bond Building Fund	\$95,603
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14. Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

	Operational	Pupil Trans.	Instructional Materials	Title I IASA
Revenues per Modified Accrual Basis	\$ 1,798,317	\$ 148,987	\$ 3,386	\$ 124,613
Prior Year Receivables	(274)	-	-	(32,594)
Current Year Receivables	92	-	-	49,150
Revenues per Budgetary Basis	\$ 1,798,135	\$ 148,987	\$ 3,386	\$ 141,169
Expenditures per Modified Accrual Basis	\$ 1,754,654	\$ 132,915	\$ 2,844	\$ 124,618
Prior Year Payables	16,780	1,020	-	16
Current Year Payables	(20,849)	-	-	26
Expenditures per Budgetary Basis	\$ 1,750,585	\$ 133,935	\$ 2,844	\$ 124,660

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

	Entitlement IDEA-B	Teacher Principal Training & Recruit	Preschool IDEA-B	Capital Improvements SB-9	Debt Services Fund
Revenues per Modified Accrual Basis	\$ 39,255	\$ 11,677	\$ 2,113	\$ 62,548	\$ 105,034
Prior Year Receivables	(32,337)	(7,558)	(1,227)	(1,636)	(3,468)
Current Year Receivables	<u>29,187</u>	<u>7,221</u>	<u>1,475</u>	<u>466</u>	<u>972</u>
Revenues per Budgetary Basis	<u>\$ 36,105</u>	<u>\$ 11,340</u>	<u>\$ 2,361</u>	<u>\$ 61,378</u>	<u>\$ 102,538</u>
Expenditures per Modified Accrual Basis	\$ 41,611	\$ 11,678	\$ 2,114	\$ 46,933	\$ 104,168
Prior Year Payables	-	-	-	(818)	(1,734)
Current Year Payables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures per Budgetary Basis	<u>\$ 41,611</u>	<u>\$ 11,678</u>	<u>\$ 2,114</u>	<u>\$ 46,115</u>	<u>\$ 102,434</u>
	Kindergarten 3 Plus	GO Bond Library 2010	Sun Safety		
Revenues per Modified Accrual Basis	\$ 27,118	\$ 5,393	\$ 1,739		
Prior Year Receivables	(12,760)	-	-		
Current Year Receivables	<u>14,783</u>	<u>5,393</u>	<u>1,739</u>		
Revenues per Budgetary Basis	<u>\$ 29,141</u>	<u>\$ 10,786</u>	<u>\$ 3,478</u>		
Expenditures per Modified Accrual Basis	\$ 27,118	\$ 11,678	\$ 2,114		
Prior Year Payables	-	-	-		
Current Year Payables	<u>-</u>	<u>-</u>	<u>-</u>		
Expenditures per Budgetary Basis	<u>\$ 27,118</u>	<u>\$ 11,678</u>	<u>\$ 2,114</u>		

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Special Revenue	Capital Projects	Debt Service	Total
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 44,492	\$ 136,576	\$ 24,640	\$ 205,708
Receivables:				
Property Taxes	-	466	972	1,438
Due From Other Governments	52,472	-	-	52,472
Food Inventory	2,703	-	-	2,703
Total Assets	\$ 99,667	\$ 137,042	\$ 25,612	\$ 262,321
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ 56,448	\$ -	\$ -	\$ 56,448
Accounts Payable	1,110	-	-	1,110
Accrued Liabilities	251	-	-	251
Total Liabilities	57,809	-	-	57,809
 Fund Balance:				
Nonspendable:				
Inventories	2,414	-	-	2,414
Restricted and Reported in:				
Special Revenue Funds	39,444	-	-	39,444
Capital Projects Funds	-	137,042	-	137,042
Debt Service Funds	-	-	25,612	25,612
Total Fund Balance	41,858	137,042	25,612	204,512
Total Liabilities and Fund Balance	\$ 99,667	\$ 137,042	\$ 25,612	\$ 262,321

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Special Revenue	Capital Projects	Debt Service	Total
REVENUES:				
Taxes	\$ -	\$ 51,565	\$ 105,034	\$ 156,599
Charges for Services	2,796	-	-	2,796
Local Sources	-	-	-	-
State Sources	122,973	-	-	122,973
Federal Sources	25,991	-	-	25,991
Earnings From Investments	100	-	-	100
Gifts and Donations	12,586	10,983	-	23,569
Total Revenue	<u>164,446</u>	<u>62,548</u>	<u>105,034</u>	<u>332,028</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	122,151	-	-	122,151
Food Services	33,124	-	-	33,124
Other	-	46,933	10,983	57,916
Capital Outlay	5,193	95,603	-	100,796
Debt Service:				
Bond Principal	-	-	60,000	60,000
Bond Interest	-	-	44,168	44,168
TOTAL EXPENDITURES	<u>160,468</u>	<u>142,536</u>	<u>115,151</u>	<u>418,155</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>3,978</u>	<u>(79,988)</u>	<u>(10,117)</u>	<u>(86,127)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,978	(79,988)	(10,117)	(86,127)
Fund Balance at Beginning of Year	<u>37,880</u>	<u>217,030</u>	<u>35,729</u>	<u>290,639</u>
Fund Balance at End of Year	<u>\$ 41,858</u>	<u>\$ 137,042</u>	<u>\$ 25,612</u>	<u>\$ 204,512</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2014**

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

FOOD SERVICES (Fund 21000)

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-12, 60, Stat. 230, 42 U.S.C 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71 stat. 430.

ATHLETICS (22000)

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.

21st Century Community Learning Centers Fund (24119)

Used to account for federal funds used for after school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral serves, drug prevention education, academic help, and character building (social skills) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

DISCRETIONARY IDEA-B (24107)

To account for a program funded by a Federal Grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by Individuals with Disabilities Education Act (IDEA), Part B, Section 611, as amended, 20 U.S.C 1411.

TEACHER PRINCIPAL 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.

TITLE I SCHOOL IMPROVEMENT (24162)

Funds provided to improve the mathematical skills of students in secondary programs.

SCIENCE INSTRUCTIONAL MATERIALS (27176)

A special state appropriation for the purchase of science instructional supplies in grade 6 through 8.

ENTITLEMENT IDEA – B- STIMULUS (24206)

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2014**

some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418.

PRESCHOOL IDEA-B STIMULUS (24209)

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, part B, Section 619, as amended, Public Laws 94-142, 99*457,100-630, 101497, and101-476.

RURAL EDUCATION ACHIEVEMENT (25233)

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.

SEG STIMULUS (25250)

Funding for the support of public elementary, secondary, post-secondary, and as applicable, for early childhood programs and services.

CYFD SUMMER FOOD SERVICE PROGRAM (28201)

To provide lunch to students during the summer months.

EDUCATION JOB FUND (25255)

Funding for the support of public elementary and secondary teaching salaries and benefits.

GO BOND LIBRARY 2008 (27105)

Funding made available to update and expand library collections.

PRESCHOOL IDEA-B and IDEA-B NEW (24109) (24120)

To account for resources received to supplement State and local funding normally received for the operation of the school district.

DUAL CREDIT INSTRUCTIONAL MATERIALS (27103)

To account for resources received from House Bill 2, 2009, to be used for dual credit instructional materials through courses approved by the Higher Education Department and through a college/university for which the District has an approved agreement.

FORMATIVE ASSESSMENTS (27111)

A special state appropriation to purchase formative assessments for English Language Arts and Math in grades 4 – 10 as approved by the New Mexico Public Education Department.

BREAKFAST FOR ELEMENTARY STUDENTS (27155)

To provide elementary students with the nutrition necessary to facilitate learning.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2014**

KINDERGARTEN 3 PLUS (27166)

Extended school year Reading and Math Instruction in grades Kindergarten through 3rd.

GO BOND LIBRARY 2010 (27105)

Funding made available to update and expand library collections.

SUN SAFETY (28146)

To account for funds administered through the NM Department of Health to promote sun safety education to reduce the risk of developing skin cancer.

GENERAL OBLIGATIONS SCHOOL BUS (27172)

Special state appropriation to purchase a to-and-from route bus.

PRIVATE DIRECT GRANTS (29102)

Funds provided to the District by Community First Bank to put AEDs in Public Buildings.

TITLE 1 SCHOOL IMPROVEMENT (24162)

Funds provided for improvements to schools through Title I.

RURAL AND 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.

2012 SCHOOL BUS REPLACEMENT FUND (27104)

A special state appropriation to help purchase and to-and-from Route Bus.

SCIENCE INSTRUCTIONAL MATERIALS (27176)

A special state appropriation for the purchase of Science Instructional Material supplies in grades 6 through 8 within the school district.

CYFD SUMMER FOOD PROGRAM (28201)

A food service program designed to provide lunch to students during the summer months.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014**

	<u>Food Services</u>	<u>Athletics</u>	<u>21st Century Community Learning Centers</u>	<u>Discretionary IDEA-B</u>
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 41,323	\$ 2,854	\$ -	\$ -
Due From Other Governments	-	-	-	-
Food Inventory	<u>2,703</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 44,026</u>	<u>\$ 2,854</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	1,110	-	-	-
Accrued Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>1,110</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balance:				
Nonspendable:				
Inventories	2,703	-	(289)	-
Restricted and Reported in:				
Special Revenue Funds	<u>40,213</u>	<u>2,854</u>	<u>289</u>	<u>-</u>
Total Fund Balance	<u>42,916</u>	<u>2,854</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 44,026</u>	<u>\$ 2,854</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2014**

	<u>Teacher Principal Recruiting</u>	<u>English Language Acquisition</u>	<u>Science Instructional Materials</u>	<u>GO Bond Library 2012</u>	<u>NM Reads to Lead</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Due From Other Governments	7,221	-	-	-	18,907
Food Inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 7,221</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,907</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 7,354	\$ -	\$ -	\$ 5,984	\$ 18,907
Accounts Payable	-	-	-	-	-
Accrued Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>7,354</u>	<u>-</u>	<u>-</u>	<u>5,984</u>	<u>18,907</u>
Fund Balance:					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted and Reported in:					
Special Revenue Funds	<u>(133)</u>	<u>-</u>	<u>-</u>	<u>(5,984)</u>	<u>-</u>
Total Fund Balance	<u>(133)</u>	<u>-</u>	<u>-</u>	<u>(5,984)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 7,221</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,907</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2014**

	Rural Education Achievement	NM Grown FVV	CYFD Summer Food	Next Generation Assessments	GO Bond Library 2008
<u>ASSETS</u>					
Pooled Cash and Investments	\$ 315	\$ -	\$ -	\$ -	\$ -
Due From Other Governments	1,449			1,505	-
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 1,764</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,505</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ -	\$ 266	\$ 35	\$ 1,505	\$ -
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	251	-	-
Total Liabilities	<u>-</u>	<u>266</u>	<u>286</u>	<u>1,505</u>	<u>-</u>
Fund Balance:					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted and Reported in:					
Special Revenue Funds	<u>1,764</u>	<u>(266)</u>	<u>(286)</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>1,764</u>	<u>(266)</u>	<u>(286)</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 1,764</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,505</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2014**

	Preschool IDEA-B	Dual Credit IM	Formative Assessments	Breakfast - Elementary Students	Kindergarten 3 Plus
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -
Due From Other Governments	1,475	-	-	-	14,783
Food Inventory	-	-	-	-	-
Total Assets	<u>\$ 1,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,783</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 1,476	\$ 36	\$ -	\$ -	\$ 14,783
Accounts Payable	-	-	-	-	-
Accrued Liabilities	-	-	-	-	-
Total Liabilities	<u>1,476</u>	<u>36</u>	<u>-</u>	<u>-</u>	<u>14,783</u>
Fund Balance:					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted and Reported in:					
Special Revenue Funds	(1)	(36)	-	-	-
Total Fund Balance	(1)	(36)	-	-	-
Total Liabilities and Fund Balance	<u>\$ 1,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,783</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2014**

	<u>GO Bond Library 2010</u>	<u>Sun Safety</u>	<u>School Bus Bond</u>	<u>Private Direct Grants</u>	<u>Total</u>
<u>ASSETS</u>					
Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ 44,492
Due From Other Governments	5,393	1,739			52,472
Food Inventory	-	-	-	-	2,703
Total Assets	<u>\$ 5,393</u>	<u>\$ 1,739</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,667</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Cash Overdraft	\$ 5,393	\$ 709	\$ -	\$ -	\$ 56,448
Accounts Payable	-	-	-	-	1,110
Accrued Liabilities	-	-	-	-	251
Total Liabilities	<u>5,393</u>	<u>709</u>	<u>-</u>	<u>-</u>	<u>57,809</u>
Fund Balance:					
Nonspendable:					
Inventories	-	-	-	-	2,414
Restricted and Reported in:					
Special Revenue Funds	-	1,030	-	-	39,444
Total Fund Balance	<u>-</u>	<u>1,030</u>	<u>-</u>	<u>-</u>	<u>41,858</u>
Total Liabilities and Fund Balance	<u>\$ 5,393</u>	<u>\$ 1,739</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,667</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Food Services</u>	<u>Athletics</u>	<u>21st Century Community Learning Centers</u>	<u>Discretionary IDEA-B</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	2,796	-	-	-
Local Sources	-	-	-	-
State Sources	31,994	-	-	-
Federal Sources	-	-	-	-
Earnings From Investments	90	10	-	-
Gifts and Donations	-	12,586	-	-
Total Revenues	<u>34,880</u>	<u>12,596</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	13,311	(289)	(4,840)
Food Services	31,013	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>31,013</u>	<u>13,311</u>	<u>(289)</u>	<u>(4,840)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,867</u>	<u>(715)</u>	<u>289</u>	<u>4,840</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,867	(715)	289	4,840
Fund Balance at Beginning of Year	<u>39,049</u>	<u>3,569</u>	<u>(289)</u>	<u>(4,840)</u>
Fund Balance at End of Year	<u>\$ 42,916</u>	<u>\$ 2,854</u>	<u>\$ -</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

	Teacher Principal Recruiting	English Language Acquisition	Science Instructional Materials	GO Bond Library 2012	NM Reads to Lead
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-
Local Sources	-	-	-	-	-
State Sources	-	-	-	-	51,581
Federal Sources	11,677	2,183	-	-	-
Earnings From Investments	-	-	-	-	-
Gifts and Donations	-	-	-	-	-
Total Revenues	<u>11,677</u>	<u>2,183</u>	<u>-</u>	<u>-</u>	<u>51,581</u>
EXPENDITURES:					
Current:					
Direct Instruction	-	-	-	-	-
Instructional Support	11,678	2,183	(2,143)	791	51,581
Food Services	-	-	-	-	-
Other	-	-	-	-	-
Capital Outlay	-	-	-	5,193	-
Debt Service:					
Bond Principal	-	-	-	-	-
Bond Interest	-	-	-	-	-
Total Expenditures	<u>11,678</u>	<u>2,183</u>	<u>(2,143)</u>	<u>5,984</u>	<u>51,581</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1)</u>	<u>-</u>	<u>2,143</u>	<u>(5,984)</u>	<u>-</u>
Other Financing Sources and Financing Uses:					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds from Bond Issues	-	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1)	-	2,143	(5,984)	-
Fund Balance at Beginning of Year	(132)	-	(2,143)	-	-
Fund Balance at End of Year	<u>\$ (133)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,984)</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

	Rural Education Achievement	NM Grown FVV	CYFD Summer Food	Next Generation Assessments	GO Bond Library 2008
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-
Local Sources	-	-	-	-	-
State Sources	-	-	1,325	1,505	-
Federal Sources	10,018	-	-	-	-
Earnings From Investments	-	-	-	-	-
Gifts and Donations	-	-	-	-	-
Total Revenues	<u>10,018</u>	<u>-</u>	<u>1,325</u>	<u>1,505</u>	<u>-</u>
EXPENDITURES:					
Current:					
Direct Instruction	-	-	-	-	-
Instructional Support	10,018	266	1,862	1,505	-
Food Services	-	-	-	-	-
Other	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Bond Principal	-	-	-	-	-
Bond Interest	-	-	-	-	-
Total Expenditures	<u>10,018</u>	<u>266</u>	<u>1,862</u>	<u>1,505</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(266)</u>	<u>(537)</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds from Bond Issues	-	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(266)	(537)	-	-
Fund Balance at Beginning of Year	1,764	-	251	-	-
Fund Balance at End of Year	<u>\$ 1,764</u>	<u>\$ (266)</u>	<u>\$ (286)</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

	Preschool IDEA-B	Dual Credit IM	Formative Assessments	Breakfast - Elementary Students	Kindergarten 3 Plus
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	-
Local Sources	-	-	-	-	-
State Sources	-	207	-	2,111	27,118
Federal Sources	2,113	-	-	-	-
Earnings From Investments	-	-	-	-	-
Gifts and Donations	-	-	-	-	-
Total Revenues	<u>2,113</u>	<u>207</u>	<u>-</u>	<u>2,111</u>	<u>27,118</u>
EXPENDITURES:					
Current:					
Direct Instruction	-	-	-	-	-
Instructional Support	2,114	243	-	-	27,118
Food Services	-	-	-	2,111	-
Other	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Bond Principal	-	-	-	-	-
Bond Interest	-	-	-	-	-
Total Expenditures	<u>2,114</u>	<u>243</u>	<u>-</u>	<u>2,111</u>	<u>27,118</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1)</u>	<u>(36)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds from Bond Issues	-	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1)	(36)	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-
Fund Balance at End of Year	<u>\$ (1)</u>	<u>\$ (36)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

	GO Bond Library 2010	Sun Safety	School Bus Bond	Private Direct Grants	Total
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-	2,796
Local Sources	-	-	-	-	-
State Sources	5,393	1,739	-	-	122,973
Federal Sources	-	-	-	-	25,991
Earnings From Investments	-	-	-	-	100
Gifts and Donations	-	-	-	-	12,586
Total Revenues	<u>5,393</u>	<u>1,739</u>	<u>-</u>	<u>-</u>	<u>164,446</u>
EXPENDITURES:					
Current:					
Direct Instruction	-	-	-	-	-
Instructional Support	5,393	1,360	-	-	122,151
Food Services	-	-	-	-	33,124
Other	-	-	-	-	-
Capital Outlay	-	-	-	-	5,193
Debt Service:					
Bond Principal	-	-	-	-	-
Bond Interest	-	-	-	-	-
Total Expenditures	<u>5,393</u>	<u>1,360</u>	<u>-</u>	<u>-</u>	<u>160,468</u>
Excess (Deficiency) of Revenues Over Expenditures					
	<u>-</u>	<u>379</u>	<u>-</u>	<u>-</u>	<u>3,978</u>
Other Financing Sources and Financing Uses:					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds from Bond Issues	-	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	379	-	-	3,978
Fund Balance at Beginning of Year	-	651	-	-	37,880
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 1,030</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,858</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	1,500	1,500	2,796	1,296
Local Sources	-	-	-	-
State Sources	-	-	31,994	31,994
Federal Sources	26,500	26,500	-	(26,500)
Earnings from Investments	500	500	90	(410)
Gifts and Donations	-	-	-	-
Total Revenues	<u>28,500</u>	<u>28,500</u>	<u>34,880</u>	<u>6,380</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	53,345	65,823	31,013	34,810
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>53,345</u>	<u>65,823</u>	<u>31,013</u>	<u>34,810</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(24,845)</u>	<u>(37,323)</u>	<u>3,867</u>	<u>41,190</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(24,845)	(37,323)	3,867	41,190
Fund Balance at Beginning of Year	-	-	39,049	39,049
Fund Balance at End of Year	<u>\$ (24,845)</u>	<u>\$ (37,323)</u>	<u>\$ 42,916</u>	<u>\$ 80,239</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
ATHLETICS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	100	100	10	(90)
Gifts and Donations	14,800	14,800	12,586	(2,214)
Total Revenues	<u>14,900</u>	<u>14,900</u>	<u>12,596</u>	<u>(2,304)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	20,180	18,469	13,311	5,158
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>20,180</u>	<u>18,469</u>	<u>13,311</u>	<u>5,158</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,280)</u>	<u>(3,569)</u>	<u>(715)</u>	<u>2,854</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(5,280)	(3,569)	(715)	2,854
Fund Balance at Beginning of Year	-	-	3,569	3,569
Fund Balance at End of Year	<u>\$ (5,280)</u>	<u>\$ (3,569)</u>	<u>\$ 2,854</u>	<u>\$ 6,423</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
21ST CENTURY COMMUNITY LEARNING CENTERS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	(289)	289
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>(289)</u>	<u>289</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>289</u>	<u>289</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	289	289
Fund Balance at Beginning of Year	-	-	(289)	(289)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
ADMIN SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	1,000	1,000	900	(100)
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	400	400	706	306
Gifts and Donations	1,000	1,000	885	(115)
Total Revenues	<u>2,400</u>	<u>2,400</u>	<u>2,491</u>	<u>91</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	21,233	21,233	2,489	18,744
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>21,233</u>	<u>21,233</u>	<u>2,489</u>	<u>18,744</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,833)</u>	<u>(18,833)</u>	<u>2</u>	<u>18,835</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(18,833)	(18,833)	2	18,835
Fund Balance at Beginning of Year	-	-	2,852	2,852
Fund Balance at End of Year	<u>\$ (18,833)</u>	<u>\$ (18,833)</u>	<u>\$ 2,854</u>	<u>\$ 21,687</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
TEACHER PRINCIPAL RECRUITING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	10,881	14,106	11,340	(2,766)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>10,881</u>	<u>14,106</u>	<u>11,340</u>	<u>(2,766)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	10,881	14,106	11,678	2,428
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>10,881</u>	<u>14,106</u>	<u>11,678</u>	<u>2,428</u>
Excess (Deficiency) of Revenues Over Expenditures				
	-	-	(338)	(338)
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(338)	(338)
Fund Balance at Beginning of Year	-	-	(132)	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (470)</u>	<u>\$ (338)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	2,183	2,183	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>2,183</u>	<u>2,183</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	2,183	2,183	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,183</u>	<u>2,183</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
GO BOND LIBRARY 2012 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	6,086	6,086	-	(6,086)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>6,086</u>	<u>6,086</u>	<u>-</u>	<u>(6,086)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	6,086	6,086	5,984	102
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>6,086</u>	<u>6,086</u>	<u>5,984</u>	<u>102</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(5,984)</u>	<u>(5,984)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(5,984)	(5,984)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,984)</u>	<u>\$ (5,984)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NM READS TO LEAD SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	52,379	51,581	(798)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>52,379</u>	<u>51,581</u>	<u>(798)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	52,379	51,581	798
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>52,379</u>	<u>51,581</u>	<u>798</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
RURAL EDUCATION ACHIEVEMENT PROGRAM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	4,655	10,018	5,363
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>4,655</u>	<u>10,018</u>	<u>5,363</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	5,363	10,018	10,018	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>5,363</u>	<u>10,018</u>	<u>10,018</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,363)</u>	<u>(5,363)</u>	<u>-</u>	<u>5,363</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(5,363)	(5,363)	-	5,363
Fund Balance at Beginning of Year	-	-	1,764	-
Fund Balance at End of Year	<u>\$ (5,363)</u>	<u>\$ (5,363)</u>	<u>\$ 1,764</u>	<u>\$ 5,363</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NM GROWN FVV SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	591	-	(591)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>591</u>	<u>-</u>	<u>(591)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	591	266	325
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>591</u>	<u>266</u>	<u>325</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>(266)</u>	<u>(266)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(266)	(266)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (266)</u>	<u>\$ (266)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CYFD FOOD SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	1,022	2,530	1,325	(1,205)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>1,022</u>	<u>2,530</u>	<u>1,325</u>	<u>(1,205)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	1,022	2,530	1,862	668
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>1,022</u>	<u>2,530</u>	<u>1,862</u>	<u>668</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(537)</u>	<u>(537)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(537)	(537)
Fund Balance at Beginning of Year	-	-	251	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (286)</u>	<u>\$ (537)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NEXT GENERATION ASSESSMENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	3,010	1,505	(1,505)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>3,010</u>	<u>1,505</u>	<u>(1,505)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	3,010	1,505	1,505
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,010</u>	<u>1,505</u>	<u>1,505</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
PRESCHOOL IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	1,334	2,727	2,361	(366)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>1,334</u>	<u>2,727</u>	<u>2,361</u>	<u>(366)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	1,334	2,727	2,114	613
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>1,334</u>	<u>2,727</u>	<u>2,114</u>	<u>613</u>
Excess (Deficiency) of Revenues Over Expenditures				
	-	-	247	247
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	247	247
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247</u>	<u>\$ 247</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
DUAL CREDIT ASSESSMENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	243	207	(36)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>243</u>	<u>207</u>	<u>(36)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	243	243	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>243</u>	<u>243</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>(36)</u>	<u>(36)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(36)	(36)
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36)</u>	<u>\$ (36)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	2,111	2,111	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>2,111</u>	<u>2,111</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	2,111	2,111	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,111</u>	<u>2,111</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
KINDERGARTEN 3 PLUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	17,022	31,556	29,141	(2,415)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>17,022</u>	<u>31,556</u>	<u>29,141</u>	<u>(2,415)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	17,022	31,556	27,118	4,438
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>17,022</u>	<u>31,556</u>	<u>27,118</u>	<u>4,438</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>2,023</u>	<u>2,023</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	2,023	2,023
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,023</u>	<u>\$ 2,023</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
GO BOND 2010 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	5,393	5,393	10,786	5,393
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>5,393</u>	<u>5,393</u>	<u>10,786</u>	<u>5,393</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	5,393	5,393	5,393	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>5,393</u>	<u>5,393</u>	<u>5,393</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>5,393</u>	<u>5,393</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	5,393	5,393
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,393</u>	<u>\$ 5,393</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SUN SAFETY PROGRAM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	1,739	3,478	1,739
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>1,739</u>	<u>3,478</u>	<u>1,739</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	2,390	1,360	1,030
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,390</u>	<u>1,360</u>	<u>1,030</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(651)</u>	<u>2,118</u>	<u>2,769</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	(651)	2,118	2,769
Fund Balance at Beginning of Year	-	-	651	651
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (651)</u>	<u>\$ 2,769</u>	<u>\$ 3,420</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
OTHER PROGRAMS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	188	-	(188)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>188</u>	<u>-</u>	<u>(188)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	188	-	188
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>188</u>	<u>-</u>	<u>188</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR CAPITAL PROJECTS FUNDS DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2014**

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

Bond Building Fund (Fund 31100)

To account for funds used for building construction.

Public School Capital Outlay (31200)

To account for the Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

Special Capital Outlay - Local (31300)

To account for revenues which are derived from local sources such as the sale of a building.

Special Capital Outlay - State (31400)

To account for special appropriation monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading Wagon Mound Public School facilities.

Capital Improvements SB-9 (31700)

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

Public School Capital Outlay – 20% (32100)

To account for 20 percent of the operational property tax revenues which have been set aside for capital outlay projects.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2014**

	Bond Building Fund	Public School Capital Outlay	Special Capital Outlay Local	Special Capital Outlay State
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 4	\$ 18,339	\$ 23,628	\$ 44,858
Receivables:				
Property Taxes	-	-	-	-
Total Assets	\$ 4	\$ 18,339	\$ 23,628	\$ 44,858
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Cash Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Total Liabilities	-	-	-	-
 Fund Balance:				
Restricted and Reported in:				
Capital Projects Funds	4	18,339	23,628	44,858
Total Fund Balance	4	18,339	23,628	44,858
Total Liabilities and Fund Balance	\$ 4	\$ 18,339	\$ 23,628	\$ 44,858

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS (continued)
JUNE 30, 2014**

	<u>Capital Improvements SB-9</u>	<u>Total</u>
<u>ASSETS</u>		
Pooled Cash and Investments	\$ 49,747	\$ 136,576
Receivables:		
Property Taxes	466	466
Total Assets	\$ 50,213	\$ 137,042
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Cash Overdraft	\$ -	\$ -
Accounts Payable	-	-
Total Liabilities	-	-
 Fund Balance:		
Restricted and Reported in:		
Capital Projects Funds	50,213	137,042
Total Fund Balance	50,213	137,042
Total Liabilities and Fund Balance	\$ 50,213	\$ 137,042

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Bond Building Fund</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay Local</u>	<u>Special Capital Outlay State</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings From Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	95,603	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>95,603</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(95,603)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(95,603)	-	-	-
Fund Balance at Beginning of Year	<u>95,607</u>	<u>18,339</u>	<u>23,628</u>	<u>44,858</u>
Fund Balance at End of Year	<u>\$ 4</u>	<u>\$ 18,339</u>	<u>\$ 23,628</u>	<u>\$ 44,858</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Capital Improvements SB-9</u>	<u>Total</u>
REVENUES:		
Taxes	\$ 51,565	\$ 51,565
Charges for Services	-	-
Local Sources	-	-
State Sources	-	-
Federal Sources	-	-
Earnings From Investments	-	-
Gifts and Donations	10,983	10,983
Total Revenues	<u>62,548</u>	<u>62,548</u>
EXPENDITURES:		
Current:		
Direct Instruction	-	-
Instructional Support	-	-
Food Services	-	-
Other	46,933	46,933
Capital Outlay	-	95,603
Debt Service:		
Bond Principal	-	-
Bond Interest	-	-
Total Expenditures	<u>46,933</u>	<u>142,536</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>15,615</u>	<u>(79,988)</u>
Other Financing Sources and Financing Uses:		
Transfers In	-	-
Transfers Out	-	-
Proceeds from Bond Issues	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>
Net Change in Fund Balance	15,615	(79,988)
Fund Balance at Beginning of Year	<u>34,598</u>	<u>217,030</u>
Fund Balance at End of Year	<u>\$ 50,213</u>	<u>\$ 137,042</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SPECIAL CAPITAL OUTLAY LOCAL PROJECTS CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	23,628	23,628	-	23,628
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>23,628</u>	<u>23,628</u>	<u>-</u>	<u>23,628</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(23,628)</u>	<u>(23,628)</u>	<u>-</u>	<u>23,628</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(23,628)	(23,628)	-	23,628
Fund Balance at Beginning of Year	-	-	23,628	23,628
Fund Balance at End of Year	<u>\$ (23,628)</u>	<u>\$ (23,628)</u>	<u>\$ 23,628</u>	<u>\$ 47,256</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ 48,707	\$ 48,707	\$ 51,565	\$ 2,858
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	11,293	13,838	-	(13,838)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	9,813	9,813
Total Revenues	<u>60,000</u>	<u>62,545</u>	<u>61,378</u>	<u>(1,167)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	73,514	96,325	46,115	50,210
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>73,514</u>	<u>96,325</u>	<u>46,115</u>	<u>50,210</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(13,514)</u>	<u>(33,780)</u>	<u>15,263</u>	<u>49,043</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(13,514)	(33,780)	15,263	49,043
Fund Balance at Beginning of Year	-	-	34,598	34,598
Fund Balance at End of Year	<u>\$ (13,514)</u>	<u>\$ (33,780)</u>	<u>\$ 49,861</u>	<u>\$ 83,641</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR DEBT SERVICE FUNDS DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2014**

Debt Service Fund (Fund 41000)

This fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest. The resources of this fund are generated by the tax levy based upon property values.

Education Technology Debt Service Fund (43000)

This fund was established to receive revenue for the payment of interest and principal on outstanding general obligation school bond issues.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEETS
NON-MAJOR DEBT SERVICE FUNDS
AS OF JUNE 30, 2014**

	<u>Debt Services Fund</u>	<u>Ed Tech Debt Service Fund</u>	<u>Total Debt Services Funds</u>
<u>ASSETS</u>			
Pooled Cash and Investments	\$ 24,640	\$ -	\$ 24,640
Receivables:			
Property Taxes	<u>972</u>	<u>-</u>	<u>972</u>
Total Assets	<u>\$ 25,612</u>	<u>\$ -</u>	<u>\$ 25,612</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Cash Overdraft	\$ -	\$ -	\$ -
Accounts Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balance:			
Restricted and Reported in:			
Debt Service Funds	<u>25,612</u>	<u>-</u>	<u>25,612</u>
Total Fund Balance	<u>25,612</u>	<u>-</u>	<u>25,612</u>
Total Liabilities and Fund Balance	<u>\$ 25,612</u>	<u>\$ -</u>	<u>\$ 25,612</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Debt Services</u>	<u>Ed. Tech Subfund</u>	<u>Total</u>
REVENUES:			
Taxes	\$ 105,034	\$ -	\$ 105,034
Charges for Services	-	-	-
Local Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Earnings From Investments	-	-	-
Gifts and Donations	-	-	-
Total Revenues	<u>105,034</u>	<u>-</u>	<u>105,034</u>
EXPENDITURES:			
Current:			
Direct Instruction	-	-	-
Instructional Support	-	-	-
Food Services	-	-	-
Other	-	10,983	10,983
Capital Outlay	-	-	-
Debt Service:			
Bond Principal	60,000	-	60,000
Bond Interest	44,168	-	44,168
Total Expenditures	<u>104,168</u>	<u>10,983</u>	<u>115,151</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>866</u>	<u>(10,983)</u>	<u>(10,117)</u>
Other Financing Sources and Financing Uses:			
Transfers In	-	-	-
Transfers Out	-	-	-
Proceeds from Bond Issues	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	866	(10,983)	(10,117)
Fund Balance at Beginning of Year	<u>24,746</u>	<u>10,983</u>	<u>35,729</u>
Fund Balance at End of Year	<u>\$ 25,612</u>	<u>\$ -</u>	<u>\$ 25,612</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
DEBT SERVICES FUND NON-MAJOR DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ 101,393	\$ 101,393	\$ 102,538	\$ 1,145
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>101,393</u>	<u>101,393</u>	<u>102,538</u>	<u>1,145</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	116,006	116,006	58,266	57,740
Bond Interest	-	-	44,168	(44,168)
Total Expenditures	<u>116,006</u>	<u>116,006</u>	<u>102,434</u>	<u>13,572</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(14,613)</u>	<u>(14,613)</u>	<u>104</u>	<u>14,717</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(14,613)	(14,613)	104	14,717
Fund Balance at Beginning of Year	-	-	24,746	24,746
Fund Balance at End of Year	<u>\$ (14,613)</u>	<u>\$ (14,613)</u>	<u>\$ 24,850</u>	<u>\$ 39,463</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
ED. TECH DEBT SERVICE NON-MAJOR DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	10,983	10,983	10,983	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>10,983</u>	<u>10,983</u>	<u>10,983</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(10,983)</u>	<u>(10,983)</u>	<u>(10,983)</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(10,983)	(10,983)	(10,983)	-
Fund Balance at Beginning of Year	-	-	10,983	10,983
Fund Balance at End of Year	<u>\$ (10,983)</u>	<u>\$ (10,983)</u>	<u>\$ -</u>	<u>\$ 10,983</u>

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SUPPLEMENTARY SCHEDULES

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

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Administration Fund	\$ 550	\$ -	\$ 104	\$ 446
Act II Fund	489	39	-	528
Art Fund	208	-	-	208
Act II Book Club	108	-	72	36
Cheerleaders	13	86	-	99
Booster	1	-	-	1
Drama	177	-	-	177
Mecha	107	-	-	107
NHS	170	-	-	170
Elementary Field Trip	184	-	-	184
Pre-Vocational	1,198	-	-	1,198
Ski Club	393	-	-	393
Student Council	238	232	-	470
Girls Sports	140	-	-	140
Raffle Fund	120	809	-	929
Summer Athletic Program	992	-	568	424
Business Professionals of Class of 2011	-	2,222	-	2,222
Class of 2012	-	-	-	-
Class of 2013	(63)	-	-	(63)
Class of 2014	77	-	-	77
Class of 2014	1,055	-	765	290
Class of 2015	713	187	-	900
Class of 2017	1,190	-	21	1,169
Class of 2018	25	109	-	134
Class of 2019	-	214	-	214
Activity I	14,942	6,475	-	21,417
Certificates of Deposit	3,382	1	-	3,383
Total All Schools	\$ 26,409	\$ 10,374	\$ 1,530	\$ 35,253

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2014**

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value at June 30, 2014	Name and Location of Safekeeper
Wells Fargo	CUSIP 3138W9A34 3.5% Due 7/1/2043	\$ 128,984	Federal Reserve Bank
Total		<u>\$ 128,984</u>	

See Independent Auditors' Report

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

<u>Bank Account Type</u>	<u>Wells Fargo Bank</u>	<u>First Community Bank</u>	<u>Total</u>
Certificate of Deposit	\$ 3,383	\$ -	\$ 3,383
Checking - General Fund	388,383	-	388,383
Checking - General Fund	-	560	560
Checking - Athletic Fund	3,158	-	3,158
Checking - Hot Lunch Fund	41,324	-	41,324
Checking - Activities II	11,879	-	11,879
Checking - Activities I	<u>21,487</u>	<u>-</u>	<u>21,487</u>
Total on Deposit	469,614	560	470,174
Reconciling Items	<u>(321,910)</u>	<u>-</u>	<u>(321,910)</u>
Reconciled Balance, June 30, 2014	<u>\$ 147,704</u>	<u>\$ 560</u>	148,264
Less: Fiduciary Funds Cash			<u>(35,253)</u>
Cash per Statement of Net Position			<u><u>\$ 113,011</u></u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2014**

	<u>Operational</u>	<u>Pupil Transportation</u>	<u>Instructional Materials</u>	<u>Title I IASA</u>	<u>21st Century Community Learning Centers</u>
Cash, June 30, 2013	\$ 85,360	\$ 13,560	\$ 186	\$ (32,570)	\$ (289)
Add:					
FY 2014 Revenues	1,798,317	148,987	3,386	124,613	289
Permanent Cash Transfers In	-	-	-	-	-
Loans From Other Funds	-	-	-	-	-
Total Cash Available	<u>1,883,677</u>	<u>162,547</u>	<u>3,572</u>	<u>92,043</u>	<u>-</u>
Less:					
FY 2014 Expenditures	1,750,403	134,138	2,844	141,184	-
Permanent Cash Transfers Out	-	-	-	-	-
Loans to Other Funds	-	-	-	-	-
Total Disbursements	<u>1,750,403</u>	<u>134,138</u>	<u>2,844</u>	<u>141,184</u>	<u>-</u>
Cash, June 30, 2014	<u>\$ 133,274</u>	<u>\$ 28,409</u>	<u>\$ 728</u>	<u>\$ (49,141)</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	<u>Food Services</u>	<u>Athletics</u>	<u>Entitlement IDEA-B</u>	<u>Discretionary IDEA-B</u>
Cash, June 30, 2013	\$ 37,323	\$ 3,569	\$ (41,110)	\$ (4,840)
Add:				
FY 2014 Revenues	34,880	12,596	-	-
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>72,203</u>	<u>16,165</u>	<u>(41,110)</u>	<u>(4,840)</u>
Less:				
FY 2014 Expenditures	30,880	13,311	(3,439)	(4,840)
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>30,880</u>	<u>13,311</u>	<u>(3,439)</u>	<u>(4,840)</u>
Cash, June 30, 2014	<u>\$ 41,323</u>	<u>\$ 2,854</u>	<u>\$ (37,671)</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	Teacher Principal Training & Recruit	Title I School Improvement	IDEA-B Stimulus	Rural Education Achievement
Cash, June 30, 2013	\$ (7,690)	\$ -	\$ -	\$ 1,764
Add:				
FY 2014 Revenues	4,323	2,183	-	10,018
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>(3,367)</u>	<u>2,183</u>	<u>-</u>	<u>11,782</u>
Less:				
FY 2014 Expenditures	3,987	2,183	-	11,467
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>3,987</u>	<u>2,183</u>	<u>-</u>	<u>11,467</u>
Cash, June 30, 2014	<u>\$ (7,354)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315</u>

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	<u>GO Bond Library 2012</u>	<u>GO Bond Library 2010</u>	<u>Sun Safety</u>	<u>NM Reads to Lead</u>
Cash, June 30, 2013	\$ -	\$ -	\$ 651	\$ -
Add:				
FY 2014 Revenues	-	-	1,739	-
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	-	-	2,390	-
Less:				
FY 2014 Expenditures	5,984	5,393	3,099	18,907
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	5,984	5,393	3,099	18,907
Cash, June 30, 2014	<u>\$ (5,984)</u>	<u>\$ (5,393)</u>	<u>\$ (709)</u>	<u>\$ (18,907)</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	<u>Bond Building Fund</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay Local</u>	<u>Special Capital Outlay State</u>
Cash, June 30, 2013	\$ 95,607	\$ 18,339	\$ 23,628	\$ 44,858
Add:				
FY 2014 Revenues	-	-	-	-
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>95,607</u>	<u>18,339</u>	<u>23,628</u>	<u>44,858</u>
Less:				
FY 2014 Expenditures	95,603	-	-	-
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>95,603</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2014	<u>\$ 4</u>	<u>\$ 18,339</u>	<u>\$ 23,628</u>	<u>\$ 44,858</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	Capital Improvements SB-9	Ed. Technology Equipment Act	NM Grown FVV	Debt Service
Cash, June 30, 2013	\$ 33,780	\$ (109,432)	\$ -	\$ 23,012
Add:				
FY 2014 Revenues	62,548	-	-	105,034
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	96,328	(109,432)	-	128,046
Less:				
FY 2014 Expenditures	46,581	-	266	103,406
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	46,581	-	266	103,406
Cash, June 30, 2014	<u>\$ 49,747</u>	<u>\$ (109,432)</u>	<u>\$ (266)</u>	<u>\$ 24,640</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	<u>Ed Tech Debt Service Fund</u>	<u>Preschool IDEA-B</u>	<u>Kindergarten 3 Plus</u>	<u>Science Instructional Materials</u>
Cash, June 30, 2013	\$ 10,983	\$ (1,227)	\$ (12,760)	\$ (2,143)
Add:				
FY 2014 Revenues	-	-	27,118	-
Permanent Cash Transfers In	-	-	-	-
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>10,983</u>	<u>(1,227)</u>	<u>14,358</u>	<u>(2,143)</u>
Less:				
FY 2014 Expenditures	10,983	249	29,141	(2,143)
Permanent Cash Transfers Out	-	-	-	-
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>10,983</u>	<u>249</u>	<u>29,141</u>	<u>(2,143)</u>
Cash, June 30, 2014	<u>\$ -</u>	<u>\$ (1,476)</u>	<u>\$ (14,783)</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS (continued)
JUNE 30, 2014**

	<u>CYFD Summer Food</u>	<u>Dual Credit IM</u>	<u>Next Generation</u>	<u>Student Activities</u>	<u>Total</u>
Cash, June 30, 2013	\$ 251	\$ -	\$ (1,505)	\$ 26,409	\$ 205,714
Add:					
FY 2014 Revenues	1,325	-	1,505	10,374	2,349,235
Permanent Cash Transfers In	-	-	-	-	-
Loans From Other Funds	-	-	-	-	-
Total Cash Available	<u>1,576</u>	<u>-</u>	<u>-</u>	<u>36,783</u>	<u>2,554,949</u>
Less:					
FY 2014 Expenditures	1,611	36	1,505	1,530	2,404,269
Permanent Cash Transfers Out	-	-	-	-	-
Loans to Other Funds	-	-	-	-	-
Total Disbursements	<u>1,611</u>	<u>36</u>	<u>1,505</u>	<u>1,530</u>	<u>2,404,269</u>
Cash, June 30, 2014	<u>\$ (35)</u>	<u>\$ (36)</u>	<u>\$ (1,505)</u>	<u>\$ 35,253</u>	<u>\$ 150,680</u>

See Independent Auditors' Report



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

Independent Auditors' Report

Honorable Hector Balderas
New Mexico State Auditor
Santa Fe, New Mexico
and
The Board of Education
Wagon Mound Public Schools

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 the major special revenue funds, of the Wagon Mound School District (District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated October 15, 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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as items 2009-003, 2013-001, 2014-001, 2014-002, 2014-003 and 2014-004.

The District's Responses to Findings

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

Purpose of this Report

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

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Albuquerque, New Mexico
October 15, 2014

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2014**

Section I – Financial Statement Findings

2009-003 [FS 09-03] – Per Diem and Mileage Act – Material Noncompliance

Condition: During our test work of the District's compliance with the per diem and mileage act, we noted that five out of five instances District employees were advanced 100% of per diem.

Criteria: According to NMAC 2.42.2.10, an employee may be advanced up to 80 percent of per diem rates and mileage cost. According to NMAC 2.42.2.11, Mileage accrued in the use of a private conveyance shall be paid only in accordance with the provisions of this section. Rate: Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows: unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Cause: The District does not have adequate internal controls over travel and per diem expenditures.

Effect: The District is in not in compliance with New Mexico law.

Auditor's Recommendation: We recommend that the District improve internal controls over their travel and per diem reimbursement and advance to match the requirements provided by NMAC 2.42.2.

Management's Response: The District will also revisit it's procedures regarding payments of per diem and will make changes to be in conformance with New Mexico law.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

2013-001 [FS 13-01] – Budgetary Conditions – Material Noncompliance

Condition: The District had the following expenditure functions where actual expenditures exceeded budgetary authority:

Bond Building Fund	\$95,603
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Criteria: Sound financial management and 6-6-6 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts, the expenditure function is the legal level of control.

Cause: The District did not submit the appropriate budgetary transfers to PED to alleviate the over expenditure.

Effect: The District is not in compliance with New Mexico law, and the control established by the use of budgets has been compromised.

Auditor's Recommendation: The District should establish a policy of budgetary review throughout the year and at year-end in an effort to submit the necessary budget adjustments to PED.

Management's Response: District Management will review budget balances and make the necessary requests for budget transfers on a monthly basis to ensure that budgets are not exceeded.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

2014-001 – Capital Asset Inventory – Material Noncompliance

Condition: The District did not conduct an annual capital asset inventory.

Criteria: In accordance 12-6-10(A) NMSA 1978 the district must conduct a capital asset inventory to provide accountability for the safeguard of movable chattels and equipment at the end of each fiscal year. The district shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the District's Auditors.

Cause: Annual inventory process is not being initiated or completed by the District.

Effect: Lack of conducting a capital asset inventory can result in assets that are not properly safeguarded. Asset identification and location are essential in the prevention of theft and loss of assets due to fraudulent activity.

Auditor's Recommendation: We recommend that the District conduct a capital asset inventory at the end of each fiscal year.

Management's Response: The District will develop procedures to ensure a capital asset inventory is completed on an annual basis.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

2014-002 — Internal Controls over Purchase Cards – Material Noncompliance

Condition: During our test work of purchase cards, we noted that the District was not maintaining records associated with purchase cards as follows:

- 5 out of 5 purchase card transactions tested in the amount of \$9,847 did not have sufficient supporting documentation attached.

Criteria: NMAC 6.20.2.17 states that each governmental entity shall establish and implement written policies and procedures for purchasing, which shall be in compliance with the procurement code Section 13-1-21, NMSA 1978.

Effect: The District did not comply with NMSA 1978 Section 13-1-21 and NMAC 6.20.2.17. In addition, the proper disbursement internal controls were not monitored, which increases the risk of misuse of funding by the District.

Cause: The District did not maintain necessary documents to monitor the purchase card process, and failed to follow disbursement internal controls when processing checks for purchase card payments.

Auditor's Recommendations: We recommend the District implement a procurement policy in relation to purchase card use, in accordance with NMSA 1978 Section 13-1-21, that monitors the purchase card holders' usage, and ensures that proper authorization is being performed before purchase card transactions are executed.

Management's Response: The District will develop policies and procedures surrounding the purchase card usage. This will include policies to review, approve and record purchase card transactions.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

2014-003 – Internal Controls over Receipts and Deposits – Material Noncompliance

Condition: The District does not have a comprehensive documented internal control policy that has been implemented in relation to cash receipts and deposits. There is no formal process being followed for cash receipts and deposits.

- Four out of five deposits tested were not sent to the bank in a timely manner, did not have sufficient supporting documentation and we were not able to adequately trace these deposits into the bank account.

Criteria: Appropriate internal controls in cash receipts and cash disbursements is required to properly report all revenues and expenditures as required by Section 6-6-3, NMSA 1978 law related to the 24 hour deposit rule.

Effect: Because the internal control structure is not completely documented the effect is that management and staff are unaware about what procedures and processes to follow or what key controls are in place to properly safeguard assets. Adequate controls are not in place to prevent or detect misstatements of accounting information.

Cause: For the fiscal year 2014 management did not have a documented policy that was being followed to ensure internal controls were in place and operating effectively.

Auditor's Recommendation: We recommend that management implement proper internal controls over receipts and disbursements, so money can be properly accounted for. These policies should be written, implemented, and periodically updated to ensure proper internal controls are present and operating effectively.

Management's Response: The District will immediately start to develop policies and procedures relating to the cash receipts and disbursement process.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

2014-004 – Background Checks – Material Noncompliance

Condition: During our test work of employee files we noted the District did not obtain background checks or verification of background checks on 3 out of 5 employees tested.

Criteria: Background checks should be performed in accordance with Section 6.60.8 NMAC.

Cause: Although background checks are performed upon initial teacher licensure, the District should verify such by requesting copies of background checks from PED. Furthermore, if the background check is more than two years old, management should perform background checks on the employees hired at the School.

Effect: No evidence of a background check is kept on file for some of the District's employees.

Auditor's Recommendation: If the District accepts background checks from other agencies such as PED or another school, it should form a policy to obtain a copy of the background check to keep in the employee file. If the background check is more than two years old, management should perform a background check on employees that fall into this category prior to hiring.

Management's Response: District will review all employee files and ensure that current staff has a background check on file. District will continue to have background check on new employees.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES (continued)
JUNE 30, 2014**

Section II – Status of Prior Year Audit Findings

2009-003 [FS 09-03] – Per Diem and Mileage Act – Repeated

2013-001 [FS 13-01] – Budgetary Conditions – Repeated

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
EXIT CONFERENCE
JUNE 30, 2014**

The contents of this report were discussed at an exit conference held October 9, 2014. The firm of Kubiak Melton & Associates, LLC was represented by Daniel O. Trujillo, CPA, CFE and Robert Peixotto, CPA. The District was represented by:

Fred Muniz
Camille Cornell
Albert Martinez
Teresa P. Casias
Claudia Martinez
Dolores Moreno

Preparation of Financial Statements

The financial statements in this report were prepared substantially by the Independent Audit firm of Kubiak Melton & Associates, LLC, with the assistance of District management.