

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
ANNUAL FINANCIAL REPORT

JUNE 30, 2014



INTRODUCTORY SECTION

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

<u>Name</u>		<u>Title</u>
	<u>School Board</u>	
Carmelita Sanchez		President
Virginia Chavez		Vice-President
Audrey Simplicio		Secretary
Tyler Lastiyano		Member
Margaret Eriacho		Member
	<u>District Officials</u>	
Hayes A. Lewis		Superintendent
Martin Romine		Director of Finance
Caroline Ukestine		Director of Federal Programs
Susan Griffith		Director of Special Education
Paul Meyer		Director of Support Services
Karen Dixon		Director of Instructional Support
Tammie Gerrard		Director of Human Resources

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FINANCIAL SECTION



Manning Accounting and Consulting Services, LLC

INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas, New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Zuni Public Schools
Zuni, 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 Zuni Public Schools, (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital project fund, the major debt service fund, and all nonmajor funds presented as supplementary information as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the District as of June 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project fund, debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 13, 2014

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ZUNI PUBLIC SCHOOL DISTRICT

Hayes A. Lewis Superintendent

Management Discussion and Analysis
For the Fiscal Year Ending June 30, 2014

This Management Discussion and Analysis of the fiscal performance of the ZUNI PUBLIC SCHOOLS (District) for the period ending June 30, 2014 represents the District's eighth year implementation of the Governmental Accounting Standards Board Statement No. 34 (GASB 34). This is the tenth year implementation of the GASB 34 rules, the reader will be able to make comparisons.

This discussion and analysis provides a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2014. Fund Financial Statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible, this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphical information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's Report on Compliance on Internal Control (Governmental Accounting Standards), and a schedule of Findings and Responses. These statements and information were included in past audit reports.

About ZUNI PUBLIC SCHOOLS

To completely understand the financial discussion of ZUNI PUBLIC SCHOOLS, it is important to understand the nature of the District.

For parents choosing a public education for their children, Zuni Public Schools offer pre-school, full day Kindergarten, elementary, and secondary education for approximately 1,300 students at the present. After a number of years of declining enrollment, the district enrollment has stabilized and is showing signs of future growth.

The Zuni Public School District is located approximately 160 miles west of Albuquerque, New Mexico. Zuni Public Schools is one of the largest employers in our community. During the past few years, our enrollment has hovered just under 1,300 students approximately equal in gender distribution. Our students are virtually 100% Native American as the school district encompasses the Zuni Indian Reservation.

This goal of our school district is to provide safe, quality educational opportunities to all students to empower them to become all that they can be. The vision of the Zuni Public School District is:

"The district and community shall work together to create a thoughtful and nurturing environment that meets the needs of all students in traditional and contemporary cultures."

- Given this vision statement from the Board, and with the guidance of the New Mexico Public Education Department (PED) with their expectations outlined in the Standards for Excellence, and through varied input from district administration, teachers, and parents; ZPSD established the goal of increasing student proficiency by varying degrees based on grade level and to encourage and improve parental involvement at all grade levels. Our focus areas are defined in the district's Educational Plan for Students Success.

Significant Financial Highlights for the Year Ended June 30, 2014

- The district has implemented the new financial reporting and processes as required by the Governmental Accounting Standards Board Statement No. 34. The implementation includes both the current year reporting of depreciation on Capital Assets and accumulated depreciation to date.
- As part of the implementation of GASB 34 requirements, accumulated depreciation of \$25,582,842 as of June 30, 2013 increased to \$27,058,595 ending accumulated depreciation as of June 30, 2014, for a difference totaling \$1,475,753. Capital Asset values increased by \$698,625 which included \$708,063 in additions and \$9,438 in dispositions.
- The overall adjusted Fund Balance decreased from \$3,472,964 for the year ending June 30, 2013 to \$2,784,118 for the year ending June 30, 2014. This represents a decrease in the fund balance of \$688,846.
- Total revenues increased from \$18,008,374 for the year ending June 30, 2013 to \$19,079,198 in the year ending June 30, 2014. This change is an increase of \$1,070,824 reflecting an overall revenue increase of 5.9%. This revenue increase is an increase in student enrollment, an increase in the student unit value, and reimbursement of erate funds going back 5 years.
- Total expenditures decreased from \$23,037,887 for the year ending June 30, 2013 to \$19,751,362 for the year ending June 30, 2014. The decrease in expenditures equates to \$3,286,525 or 14.26%. The district expenditure decrease is a reflection of not having any expenditures related to the refinancing of the teacherage debt which were included in the previous year's financial statements..

DISTRICT WIDE FINANCIAL STATEMENTS

Statement of Net Position

This is the ninth year of implementation for the GASB 34 Statement of Net Position. The ZUNI PUBLIC SCHOOLS has utilized the accrual method of accounting. This statement shows that the District has total assets of \$22,977,656. The District has \$2,534,501 of cash and cash equivalents on hand as of June 30, 2014 compared to \$1,543,790 in accounts payable and other current liabilities.

	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Assets		
Cash Assets	2,779,693	2,534,501
Other Current Assets	1,558,654	1,131,103
Capital Assets	45,552,513	46,370,647
Less Accumulated Depreciation	<u>(25,582,843)</u>	<u>(27,058,595)</u>
Total Assets	<u>24,308,017</u>	<u>22,977,656</u>
Liabilities		
Accounts Payable	185,949	547,554
Other Current Liabilities	1,193,231	996,236
Long Term Liabilities	<u>7,925,000</u>	<u>7,490,000</u>
Total Liabilities	<u>9,304,180</u>	<u>9,033,790</u>
Net Position		
Invested in Capital Assets	11,261,670	11,387,052
Restricted	2,037,568	2,139,800
Unrestricted	<u>1,525,204</u>	<u>417,014</u>
Total Net Assets	<u>14,824,442</u>	<u>13,943,866</u>

ZUNI PUBLIC SCHOOLS financial statements, prior years' information is included. The Management Discussion and Analysis has included three years of information in the presentation of this table.

GASB 34 rules now require public entities to depreciate capital assets. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

Statement of Activities

The Statement of Governmental Activities is a statement required by GASB 34 and is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the District's net position for the fiscal year ending June 30, 2014. As of June 30, 2014 the District had net position of \$13,943,866. The Adjusted beginning year total net position is \$14,207,510 reflecting a decrease in total net position of \$263,644 for the year ending June 30, 2014. This decrease is the result of increased general expenditures.

	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Expenses for Governmental Activities	18,951,404	19,912,840
Less Charges for Services	438,277	502,713
Less Operating Grants and Contributions	11,414,174	4,566,018
Less Capital Grants and Contributions	<u>621,721</u>	<u>444,232</u>
Net (Expenses) Revenues and Changes in Net Assets	6,477,232	14,399,877
General Revenues		
Taxes – general, debt service, capital projects	19,602	6,610
Federal and State Aid not restricted to specific purposes	5,380,358	12,312,739
Interest Earned	989	15,675
Miscellaneous	<u>164,926</u>	<u>1,185,381</u>
Subtotal, General Revenues	5,533,923	13,520,405
Changes in Net Position	(943,309)	(879,472)
Net Position Beginning	15,569,699	14,824,442
Prior Period Adjustment	<u>198,052</u>	<u>(1,104)</u>
Net Assets – Ending	<u>14,824,442</u>	<u>13,943,866</u>

FUND FINANCIAL STATEMENTS

Fund financial statements are based on a modified accrual basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances, is *not* new to the District's annual financial reports. This report guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and federal sources were \$19,079,198. Total expenditures for the District were \$19,751,362. The total ending fund balance was \$2,784,118 a decrease of \$688,846 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall District revenues and expenditures indicates growth and declines in both areas. The growth and decline of revenues and expenditures are commensurate with student enrollment decline, legislative initiatives to improve funding for teacher salaries, student needs and other educational programs as well as state and local increase in revenues for capital outlay purposes.

Year	Total Revenues*	% Change	Total Expenses*	Increase %
2006-2007	25,612,438	(13.5%)	28,604,408	19.6%
2007-2008	22,565,196	(11.9%)	25,025,718	(12.5%)
2008-2009	21,228,059	(3.3%)	22,341,587	(10.7%)
2009-2010	20,252,802	(3.5%)	21,012,450	(6%)
2010-2011	20,123,035	(0.6%)	20,974,523	(0.2%)
2011-2012	18,568,130	(7.7%)	22,063,415	5.19%
2012-2013	18,008,374	(1.7%)	23,037,887	(17.3%)
2013-2014	19,079,198	5.9%	19,751,362	(14.26%)

*Note: Revenues do not include proceeds from General Obligation Bonds, and exclude cash carryovers; Expenditures include Capital Outlays.

The Budget

District budgets reflect the same change as seen in the revenue and expenditures of the District. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for the year, however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The Operational Fund (General Fund, Transportation Fund and Instructional Materials Fund), various Federal Funds (Title I, IDEA B, Impact Aid categorical), Private Grants, Public School Capital Outlay and Debt Service. Included in this total are twenty-four (24) non-major Special Revenue Funds and five (5) non-major Capital Projects Funds which are reported for budgetary performance.

The reader will note that the General Fund represents 62% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support, and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee and Federal Impact Aid Funds, which is the funding formula appropriated for education by the State Legislature less a 75% credit for Federal Impact Aid funds received by ZPSD. The General Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2014. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditure Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Expenditures	Variance
GENERAL	13,036,811	11,308,820	1,727,922
TRANSPORTATION	515,629	412,777	102,852
INSTRUCTIONAL MATERIALS	168,964	98,499	70,465
FOOD SERVICE	880,752	856,803	23,949
CAPITAL OUTLAY	1,441,157	384,558	1,056,599
DEBT SERVICE	866,900	747,476	119,324

COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET

Fund Type	Final Combined Budget	Expenditures	Variance
Special Funds	6,637,972	5,223,203	1,414,769

All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Account and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

The General Fund

The General Fund revenues, which include Impact Aid revenues, represent \$11,017,809 of the total \$19,079,198 in overall District revenues. The impact of this fund must be kept in context. The General Fund began the year with an initial budget of \$12,053,425 and had a final budget of \$13,036,811. This change represents an increase of \$983,386. This increase was due to a combination of an increase in the student unit value in January 2014 as well as an increase to the actual vs projected erate reimbursement.

The General Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula and from Federal Impact Aid payments. The fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The General Fund provides the predominant funding for athletics and transportation. Because of the student enrollment variances experienced by the School District, an emphasis on schools by the New Mexico Legislature, and because the State Equalization Guarantee Formula is based upon student populations, the Operational Fund has experienced growth in revenues as student enrollment has increased.

The General Fund is the main fund whose expenditures are significantly related to the educational process; \$11,308,820 was expended in the year ending June 30, 2014. The most significant inter-fund expenditure was for the function noted as "Instruction", which includes direct instruction as well as student and instructional support. This expenditure was \$6,980,544 and represents 62% of all General expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services, including special education ancillary staff. Approximately 79% of all General Fund expenditures are made for employee salaries, payroll taxes and benefits.

Support services represents 7% of General Fund expenditures and account for expenditures for school principals and related school site administrative costs.

The Office of the Superintendent and the Business Office (general and school administration and technology) represent the overhead support of the entire operations of the District; these programs combined represent 10% of the total General Fund. Maintenance accounts for 21% of the General Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies, school custodial supplies, and various equipment maintenance agreements. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. The General Fund also supports expenditures for Athletics, Food Services and Transportation.

Capital Assets

Because of aging facilities, the District is committed to maintaining existing facilities.

Asset Type	Balance June 30, 2013	Balance June 30, 2014
Land Improvements	54,684	54,684
Furniture, Fixtures & Equipment	5,662,230	5,507,924
Building and Building Improvements	39,835,599	40,808,039
Total Capital Assets	45,552,513	46,370,647
Less Accumulated Depreciation	(25,582,842)	(27,058,595)
Capital Assets-Net	19,969,670	19,312,052

During fiscal year 2014, the District expended \$1,299,071 for all capital outlays, the majority of which was for maintenance of district assets. Depreciation expense totaled \$1,570,683 for the year.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds for purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local elector and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below are the District's annual amounts to amortize the General Obligation Bonds, including interest payments, as of June 30, 2014. In June 2012 the district refinanced a portion of the teacherage bond debt at a lower interest rate in order to reduce the interest due on the debt. The old debt to New Mexico Finance Authority was paid off and new debt was issued with Bank of Albuquerque being the holder of the bonds.

Year Ended June 30	Principal	Interest	Totals
2014	465,000	282,079	747,079
2015	415,426	314,518	729,944
2016	430,233	300,537	730,770
2017	435,584	286,047	721,631
2018	446,514	270,467	716,981
2019-2023	2,498,364	1,085,644	3,584,008
2024-29	3,628,364	510,284	4,139,277
Total	8,320,144	3,049,576	11,369,690

During the year ended June 30, 2014, the District made principal payments of \$465,000.

Agency Funds

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with State Department of Education Regulations and School District Policy. The Statement of Fiduciary Net Assets has a cash balance of \$181,950 as of June 30, 2014 held on behalf of the students as well as a special account held for student scholarships. This amount represents total fundraiser student support by the community.

Contacting Zuni Public Schools

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Zuni Public Schools District's financial condition and to provide accountability for the funds the School District receives. If you have questions about our report or about the operations of the Zuni Public School District, please visit our web site at <http://www.zpsd.org>, or contact us at:

Zuni Public Schools Central Office
P O Drawer A
Zuni, NM 87327
PHONE: 505-782-5511
FAX: 505-782-5870

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BASIC FINANCIAL STATEMENTS

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

Exhibit A-1

	Governmental Activities
ASSETS	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 2,534,501
Receivables (net of allowance for uncollectibles)	982,987
Inventory	148,116
<i>Total current assets</i>	<u>3,665,604</u>
<i>Noncurrent assets</i>	
Capital assets (net of accumulated depreciation):	
Land and land improvements	54,684
Buildings and building improvements	40,808,039
Furniture, fixtures and equipment	3,224,373
Vehicles	2,188,325
Construction in progress	95,226
Less: accumulated depreciation	<u>(27,058,595)</u>
<i>Total noncurrent assets</i>	<u>19,312,052</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on advance refunding of debt	<u>-</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 22,977,656</u>
LIABILITIES	
<i>Current liabilities</i>	
Accounts payable	\$ 547,554
Accrued payroll liabilities	98,862
Accrued interest payable	115,018
Unearned revenue	255,641
Current maturities of:	
Bonds payable	435,000
Compensated absences	91,715
<i>Total current liabilities</i>	<u>1,543,790</u>
<i>Noncurrent liabilities:</i>	
Bonds payable	7,490,000
Compensated absences	<u>-</u>
<i>Total noncurrent liabilities</i>	<u>7,490,000</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	<u>-</u>
NET POSITION	
Invested in capital assets	11,387,052
Restricted for:	
Debt service	873,177
Capital projects	967,514
Other purposes - special revenue	299,109
Unrestricted	<u>417,014</u>
<i>Total net position</i>	<u>13,943,866</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 22,977,656</u>

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

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

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Governmental activities:					
Instruction	\$ 8,592,174	\$ 51,771	\$ 2,668,377	\$ -	\$ (5,872,026)
Support services:					
Students	1,365,607	-	88,990	-	(1,276,617)
Instruction	423,562	-	2,524	-	(421,038)
General administration	1,174,998	-	294,990	-	(880,008)
School administration	965,299	-	88,000	-	(877,299)
Other	14,239	-	-	-	(14,239)
Central services	1,021,238	78,955	-	-	(942,283)
Operation & maintenance of plant	1,646,748	358,757	-	440,608	(847,383)
Student transportation	375,442	-	547,492	-	172,050
Food services operation	987,591	13,230	875,645	-	(98,716)
Community services	-	-	-	-	-
Interest on long-term debt	296,992	-	-	-	(296,992)
Facilities materials, supplies, & other services	1,478,267	-	-	3,624	(1,474,643)
Depreciation - unallocated	1,570,683	-	-	-	(1,570,683)
Total Primary Government	<u>\$ 19,912,840</u>	<u>\$ 502,713</u>	<u>\$ 4,566,018</u>	<u>\$ 444,232</u>	<u>(14,399,877)</u>

General Revenues:

Property taxes:	
Levied for general purposes	832
Levied for debt service	1,822
Levied for capital projects	3,956
State Equalization Guarantee	6,022,310
Unrestricted Federal grants	6,290,429
Unrestricted investment earnings	15,675
Gain on disposal of fixed assets	200
Miscellaneous	1,200,759
Reversion to State	(15,578)
Total general revenues	<u>13,520,405</u>
Change in net position	<u>(879,472)</u>
Net position - beginning of year	<u>14,824,442</u>
Restatement	<u>(1,104)</u>
Net position - beginning of year, restated	<u>14,823,338</u>
Net position - ending of year	<u>\$ 13,943,866</u>

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

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

	General Fund				Special Revenue
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 114,430	\$ 122,552	\$ 83,558	\$ -
Accounts receivable					
Taxes	6	-	-	-	-
Due from other governments	13,998	-	-	-	383,170
Interfund receivables	462,192	-	-	-	-
Other	-	-	-	-	-
Inventory	125,602	-	-	-	-
<i>Total assets</i>	<u>601,798</u>	<u>114,430</u>	<u>122,552</u>	<u>83,558</u>	<u>383,170</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	188,107	7,501	4,121	-	93,688
Accrued payroll liabilities	98,862	-	-	-	-
Interfund payables	-	-	-	-	583,912
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>286,969</u>	<u>7,501</u>	<u>4,121</u>	<u>-</u>	<u>677,600</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	125,602	-	-	-	-
Restricted for:					
Transportation	-	-	118,431	-	-
Instructional materials	-	-	-	13,095	-
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	350,493	106,929	-	-	-
Unassigned	(161,266)	-	-	70,463	(294,430)
<i>Total fund balances</i>	<u>314,829</u>	<u>106,929</u>	<u>118,431</u>	<u>83,558</u>	<u>(294,430)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 601,798</u>	<u>\$ 114,430</u>	<u>\$ 122,552</u>	<u>\$ 83,558</u>	<u>\$ 383,170</u>

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

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

	Capital Projects				Total Primary Government
	Bond Building 31100	Capital Improvement SB-9 31700	Debt Service 41000	Other Governmental Funds	
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 703,552	\$ -	\$ 85,049	\$ 1,425,360	\$ 2,534,501
Accounts receivable					
Taxes	-	23	54	-	83
Due from other governments	-	105,641	-	477,429	980,238
Interfund receivables	-	-	728,192	-	1,190,384
Other	-	-	-	2,666	2,666
Inventory	-	-	-	22,514	148,116
<i>Total assets</i>	<u>703,552</u>	<u>105,664</u>	<u>813,295</u>	<u>1,927,969</u>	<u>4,855,988</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	199,648	-	54,489	547,554
Accrued payroll liabilities	-	-	-	-	98,862
Interfund payables	-	18,414	-	588,058	1,190,384
Unearned revenue	-	-	-	214,499	214,499
<i>Total liabilities</i>	<u>-</u>	<u>218,062</u>	<u>-</u>	<u>857,046</u>	<u>2,051,299</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	20,571	20,571
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,571</u>	<u>20,571</u>
FUND BALANCES					
Nonspendable	-	-	-	22,514	148,116
Restricted for:					
Transportation	-	-	-	-	118,431
Instructional materials	-	-	-	-	13,095
Grant mandates	-	-	-	258,274	258,274
Capital projects	635,393	-	-	2	635,395
Debt service	-	-	813,295	59,882	873,177
Assigned	68,159	-	-	934,180	1,459,761
Unassigned	-	(112,398)	-	(224,500)	(722,131)
<i>Total fund balances</i>	<u>703,552</u>	<u>(112,398)</u>	<u>813,295</u>	<u>1,050,352</u>	<u>2,784,118</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 703,552</u>	<u>\$ 105,664</u>	<u>\$ 813,295</u>	<u>\$ 1,927,969</u>	<u>\$ 4,855,988</u>

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

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

Exhibit B-2

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 2,784,118
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,312,052
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements but are considered revenue in the Statement of Activities	-
Deferred inflows of resources represent revenues collected but not "available" and are considered to be deferred revenue in the fund financial statements but are considered revenue in the Statement of Activities	(20,571)
Accrued interest	(115,018)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(91,715)
General obligation bonds	(7,925,000)
Net position - total governmental activities	<u>\$ 13,943,866</u>

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

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

Exhibit B-3

	General Fund				Special Revenue
	Operational 11000	Teachergage 12000	Transportation 13000	Instructional Materials 14000	Title I IASA 24101
<i>Revenues:</i>					
Property taxes	\$ 1,105	\$ -	\$ -	\$ -	\$ -
State grants	6,022,310	-	515,629	75,313	-
Federal grants	6,147,353	-	-	-	1,165,964
Miscellaneous	39,685	-	-	-	-
Charges for services	84,140	358,757	-	-	-
Investment Income	8	-	-	-	-
<i>Total revenues</i>	<u>12,294,601</u>	<u>358,757</u>	<u>515,629</u>	<u>75,313</u>	<u>1,165,964</u>
<i>Expenditures:</i>					
Current:					
Instruction	6,027,401	-	-	98,499	843,424
Support services					
Students	992,470	-	-	-	140,845
Instruction	261,678	-	-	-	117,902
General administration	433,928	-	-	-	149,099
School administration	823,170	-	-	-	7,529
Central services	721,244	-	-	-	-
Operation & maintenance of plant	2,351,733	267,455	-	-	-
Student transportation	33,529	-	412,777	-	1,424
Other support services	14,239	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>11,659,392</u>	<u>267,455</u>	<u>412,777</u>	<u>98,499</u>	<u>1,260,223</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>635,209</u>	<u>91,302</u>	<u>102,852</u>	<u>(23,186)</u>	<u>(94,259)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	(1,206,654)	(100,000)	(15,578)	-	-
<i>Total other financing sources (uses)</i>	<u>(1,206,654)</u>	<u>(100,000)</u>	<u>(15,578)</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(571,445)</u>	<u>(8,698)</u>	<u>87,274</u>	<u>(23,186)</u>	<u>(94,259)</u>
<i>Fund balances - beginning of year</i>	609,901	115,627	31,157	106,744	-
<i>Prior period adjustment</i>	276,373	-	-	-	(200,171)
<i>Adjusted fund balance - beginning of year</i>	<u>886,274</u>	<u>115,627</u>	<u>31,157</u>	<u>106,744</u>	<u>(200,171)</u>
<i>Fund balances - end of year</i>	<u>\$ 314,829</u>	<u>\$ 106,929</u>	<u>\$ 118,431</u>	<u>\$ 83,558</u>	<u>\$ (294,430)</u>

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

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

Exhibit B-3

	Capital Projects				Total Primary Government
	Bond Building 31100	Capital Improvement SB-9 31700	Debt Service 41000	Other Governmental Funds	
<i>Revenues:</i>					
Property taxes	\$ -	\$ 5,072	\$ 9,626	\$ 488	\$ 16,291
State grants	-	440,608	-	401,908	7,455,768
Federal grants	-	-	-	3,481,428	10,794,745
Miscellaneous	-	-	-	254,321	294,006
Charges for services	-	-	-	59,816	502,713
Investment Income	-	-	15,667	-	15,675
<i>Total revenues</i>	<u>-</u>	<u>445,680</u>	<u>25,293</u>	<u>4,197,961</u>	<u>19,079,198</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	1,688,318	8,657,642
Support services					
Students	-	-	-	232,292	1,365,607
Instruction	-	-	-	43,982	423,562
General administration	-	51	96	591,824	1,174,998
School administration	-	-	-	134,600	965,299
Central services	-	-	-	299,994	1,021,238
Operation & maintenance of plant	-	-	-	-	2,619,188
Student transportation	-	-	-	13,205	460,935
Other support services	-	-	-	-	14,239
Food services operations	-	-	-	987,591	987,591
Community service	-	-	-	-	-
Capital outlay	538,628	572,256	-	188,187	1,299,071
Debt service					
Principal	-	-	465,000	-	465,000
Interest	-	-	296,992	-	296,992
<i>Total expenditures</i>	<u>538,628</u>	<u>572,307</u>	<u>762,088</u>	<u>4,179,993</u>	<u>19,751,362</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(538,628)</u>	<u>(126,627)</u>	<u>(736,795)</u>	<u>17,968</u>	<u>(672,164)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	135,220	-	1,171,994	(560)	(15,578)
<i>Total other financing sources (uses)</i>	<u>135,220</u>	<u>-</u>	<u>1,171,994</u>	<u>(560)</u>	<u>(15,578)</u>
<i>Net changes in fund balances</i>	<u>(403,408)</u>	<u>(126,627)</u>	<u>435,199</u>	<u>17,408</u>	<u>(687,742)</u>
<i>Fund balances - beginning of year</i>	1,106,960	14,229	378,096	1,110,250	3,472,964
<i>Prior period adjustment</i>	-	-	-	(77,306)	(1,104)
<i>Adjusted fund balance - beginning of year</i>	<u>1,106,960</u>	<u>14,229</u>	<u>378,096</u>	<u>1,032,944</u>	<u>3,471,860</u>
<i>Fund balances - end of year</i>	<u>\$ 703,552</u>	<u>\$ (112,398)</u>	<u>\$ 813,295</u>	<u>\$ 1,050,352</u>	<u>\$ 2,784,118</u>

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

STATE OF NEW MEXICO

Exhibit B-4

ZUNI PUBLIC SCHOOLS

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

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ (687,742)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(1,570,683)
Capital Outlays	913,065
Loss on disposal of capital assets	-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred revenue related to the property taxes receivable	(9,681)
Change in deferred inflows of resources - other	(20,571)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Decrease in accrued interest payable	4,930
Decrease in accrued compensated absences	26,210
Principal payments on bonds	<u>465,000</u>
Change in net position - total governmental activities	<u>\$ (879,472)</u>

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

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 1,186	\$ 1,186	\$ 1,103	\$ (83)
State grants	5,948,784	6,022,317	5,966,358	(55,959)
Federal grants	5,292,412	6,189,687	6,147,353	(42,334)
Miscellaneous	10,000	10,000	25,687	15,687
Charges for services	97,221	97,221	84,140	(13,081)
Interest	-	-	8	8
<i>Total revenues</i>	<u>11,349,603</u>	<u>12,320,411</u>	<u>12,224,649</u>	<u>(95,762)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,907,588	5,851,637	6,387,437	(535,800)
Support services				
Students	991,466	1,049,966	926,802	123,164
Instruction	309,907	298,092	261,678	36,414
General administration	400,436	442,826	429,771	13,055
School administration	769,219	825,136	823,170	1,966
Central services	774,402	786,274	719,403	66,871
Operation & maintenance of plant	2,543,291	2,525,091	2,308,382	216,709
Student transportation	21,300	39,500	33,529	5,971
Other support services	25,000	80,952	14,025	66,927
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	310,816	1,193,289	-	1,193,289
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,053,425</u>	<u>13,092,763</u>	<u>11,904,197</u>	<u>1,188,566</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(703,822)</u>	<u>(772,352)</u>	<u>320,452</u>	<u>1,092,804</u>
<i>Other financing sources (uses):</i>				
Designated cash	703,822	772,352	-	(772,352)
Operating transfers	-	-	(1,206,654)	(1,206,654)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>703,822</u>	<u>772,352</u>	<u>(1,206,654)</u>	<u>(1,979,006)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(886,202)</u>	<u>(886,202)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,072,021</u>	<u>1,072,021</u>
Prior period adjustments	-	-	276,373	276,373
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,348,394</u>	<u>1,348,394</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 462,192</u>	<u>\$ 462,192</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (886,202)	
Adjustments to revenues			69,952	
Adjustments to expenditures			244,805	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (571,445)</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TEACHERAGE FUND (12000)
FOR THE YEAR ENDING JUNE 30, 2014

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	300,000	300,000	366,258	66,258
Interest	-	-	-	-
<i>Total revenues</i>	<u>300,000</u>	<u>300,000</u>	<u>366,258</u>	<u>66,258</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	457,285	419,654	267,455	152,199
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>457,285</u>	<u>419,654</u>	<u>267,455</u>	<u>152,199</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(157,285)</u>	<u>(119,654)</u>	<u>98,803</u>	<u>218,457</u>
<i>Other financing sources (uses):</i>				
Designated cash	157,285	119,654	-	(119,654)
Operating transfers	-	-	(100,000)	(100,000)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>157,285</u>	<u>119,654</u>	<u>(100,000)</u>	<u>(219,654)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,197)</u>	<u>(1,197)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>115,627</u>	<u>115,627</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>115,627</u>	<u>115,627</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,430</u>	<u>\$ 114,430</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (1,197)	
Adjustments to revenues			(7,501)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (8,698)</u>	

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

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

Exhibit C-3

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	500,647	515,629	515,629	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>500,647</u>	<u>515,629</u>	<u>515,629</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	500,647	515,629	408,656	106,973
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>500,647</u>	<u>515,629</u>	<u>408,656</u>	<u>106,973</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>106,973</u>	<u>106,973</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(15,578)	(15,578)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(15,578)</u>	<u>(15,578)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>91,395</u>	<u>91,395</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>31,157</u>	<u>31,157</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>31,157</u>	<u>31,157</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,552</u>	<u>\$ 122,552</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 91,395	
Adjustments to revenues			-	
Adjustments to expenditures			(4,121)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 87,274</u>	

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

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

Exhibit C-4

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	75,313	88,406	13,093
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>75,313</u>	<u>88,406</u>	<u>13,093</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	168,964	98,499	70,465
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>168,964</u>	<u>98,499</u>	<u>70,465</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(93,651)</u>	<u>(10,093)</u>	<u>83,558</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	93,651	-	(93,651)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>93,651</u>	<u>-</u>	<u>(93,651)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(10,093)</u>	<u>(10,093)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	93,651	93,651
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>93,651</u>	<u>93,651</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,558</u>	<u>\$ 83,558</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (10,093)	
Adjustments to revenues			(13,093)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (23,186)</u>	

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

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

Exhibit C-5

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,034,438	1,626,857	1,072,652	(554,205)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,034,438</u>	<u>1,626,857</u>	<u>1,072,652</u>	<u>(554,205)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	625,840	1,015,505	801,588	213,917
Support services				
Students	147,869	146,443	140,845	5,598
Instruction	159,411	188,411	121,523	66,888
General administration	82,118	223,872	97,381	126,491
School administration	19,200	19,200	7,529	11,671
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	1,426	1,424	2
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	32,000	-	32,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,034,438</u>	<u>1,626,857</u>	<u>1,170,290</u>	<u>456,567</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(97,638)</u>	<u>(97,638)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(97,638)	(97,638)
<i>Cash or fund balances - beginning of year</i>	-	-	(286,103)	(286,103)
Prior period adjustments	-	-	(200,171)	(200,171)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(486,274)</u>	<u>(486,274)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (583,912)</u>	<u>\$ (583,912)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (97,638)	
Adjustments to revenues			93,312	
Adjustments to expenditures			(89,933)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (94,259)</u>	

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

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

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	\$ 181,950
<i>Total assets</i>	<u>181,950</u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	181,950
<i>Total liabilities</i>	<u>\$ 181,950</u>

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

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

NOTE 1. Summary of Significant Accounting Policies

Zuni Public Schools (the “District”) is a public school District governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of Zuni Public School’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

A. Financial Reporting Entity

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

The basis, but not the only criterion for including a potential component unit within the reporting entity, is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. There are no other primary governments with which the District has a significant relationship.

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

B. Government-wide and fund financial statements

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

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities.

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

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

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

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

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

Deferred outflows of resources – a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets; therefore, it is not recognized as an outflow of resources (expense) until then.

Deferred inflows of resources – an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities; therefore, it is not recognized as an inflow of resources (revenue) until that time.

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

The *Teacherage Fund* (12000) accounts for revenues and expenditures associated with district owned multi-bedroom housing units rented to District employed teachers or other employees. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education. This fund is considered by PED to be a sub-fund of the General Fund.

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

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

Additionally, the government reports the following fund types:

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

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

D. Assets, Liabilities and Net Position or Equity

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

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

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

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

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

The District receives monthly income from a tax levy in McKinley 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 McKinley County Treasurer in July and August 2014 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2014.

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

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

Inventory: The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Cafeteria Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment, including software, is being capitalized and included in furniture and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the NM Public Schools Facilities Authority are appropriately included in the District's capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District expenses the cost of library books when purchased because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2014.

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

Land improvements	10-30 years
Buildings/building improvements	20-50 years
Furniture and equipment	5-25 years
Vehicles	7-12 years

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

Compensated Absences: Applicable for employees not represented by ZFUSE. Vacation leave (annual leave) is an accrued and authorized absence for rest, recreation, or other purposes. Vacation leave will be approved and granted after its accrual and not in advance of accrual. If workloads disallow vacation, the Superintendent may approve vacation days to carry forward into the next contract year. Upon the end of the employment contract, no payment shall be made for more than twenty (20) days of unused vacation (annual leave) for twelve (12) month employees.

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

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the fiscal year ended June 30, 2004, bond premiums and discounts, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs will be reported as deferred charges and amortized over the term of the related debt.

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

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the District's fund balances is presented in Note 15.

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

E. Revenues

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

E. Revenues (continued)

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

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$6,022,310 in state equalization guarantee distributions during the year ended June 30, 2014.

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

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes – residential and commercial and property taxes – oil and gas. Amounts collected from residential and commercial property taxes at June 30, 2014 were 16,291. Amounts collected from oil and gas taxes were \$0.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$515,629 in transportation distributions during the year ended June 30, 2014.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2014 totaled \$75,313.

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

The District received \$440,608 in state SB-9 matching during the year ended June 30, 2014.

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

NOTE 1. Summary of Significant Accounting Policies (Continued)

F. Revenues (continued)

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

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

During the year ended June 30, 2014, the District received no special capital outlay funds.

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

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

NOTE 2. Stewardship, Compliance and Accountability

G. Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

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

Actual expenditures may not exceed the budget at the function level, the level of budgetary control for districts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

NOTE 2. Stewardship, Compliance and Accountability (Continued)

G. Budgetary Information (continued)

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) (100%) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico PED.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year’s budget. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the

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

NOTE 2. Stewardship, Compliance and Accountability (Continued)

G. Budgetary Information - (continued)

excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2014, is presented on each funds' Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

NOTE 3. Cash and Cash Equivalents

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2014.

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

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

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

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

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

Deposits

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

	Wells Fargo Bank	Bank of Albuquerque	Total
Total amounts of deposits	\$ 1,901,969	\$ 1,401,285	\$ 3,303,254
FDIC coverage	250,000	250,000	\$ 500,000
Total uninsured public funds	<u>1,651,969</u>	<u>1,151,285</u>	<u>2,803,254</u>
Collateral requirement (50% of uninsured public funds)	825,985	575,643	1,401,627
Pledged security	<u>842,263</u>	<u>1,429,311</u>	<u>\$ 2,271,574</u>
Total over (under) collateralized	<u>\$ 16,278</u>	<u>\$ 853,668</u>	<u>\$ 869,947</u>

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

NOTE 3. Cash and Cash Equivalents (Continued)

The funds are maintained in interest bearing and non-interest bearing checking and savings accounts in Wells Fargo Bank and in interest bearing trust funds in Bank of Albuquerque.

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

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

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

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

At June 30, 2014, \$2,803,254 of the District's bank balance of \$3,303,254 was exposed to custodial credit risk as it was uninsured and the collateral was not held in the District's name.

Reconciliation of Cash to the Financial Statements

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

Reconciliation to Statement of Net Position

Governmental Funds - Balance Sheet

Cash and cash equivalents per Exhibit A-1	2,534,501
Statement of Fiduciary Net Position - cash per Exhibit D-1	181,950
Total per financial statements	2,716,451
Add outstanding checks and other reconciling items	586,803
Bank balance of deposits	\$ 3,303,254

The District utilized pooled accounts for their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts should be reclassified as due to/due from accounts in the combining balance sheets at June 30, 2014. Funds 21000 through 24000 are federal funds, 26000 through 31700 funds are non-federal funds. The following individual funds had negative cash balances as of June 30, 2014:

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

NOTE 3. Cash and Cash Equivalents (Continued)

Fund#	Special Revenue Funds:	
21000	Food Services	\$ 66,280
24101	Title I IASA	583,912
24106	IDEA-B Entitlement	111,817
24153	English Language Acquisition	22,174
24154	Teacher/Principal Training & Recruiting	105,509
24160	Rural and Low Income Schools	12,105
24162	Title I School Improvement	4,335
24171	Carl D. Perkins - Special Projects - Current	12,499
26121	Kellogg Fund/Kellogg Foundation	34,401
26143	Save the Children	22,479
27106	2010 GO Bonds Student Library Fund (SB1)	5,028
27107	2012 GO Bonds Student Library Fund (SB66)	2,201
27114	New Mexico Reads to Lead K-3 Reading Initiative	22,184
27149	PreK Initiative	54,799
27155	Breakfast for Elementary Students	4,530
27166	Kindergarten - Three Plus	1,997
	Capital Projects Fund:	
31700	Capital Improvement SB-9	<u>18,414</u>
	Total	<u><u>\$ 1,084,664</u></u>

NOTE 4. Receivables

Receivables as of June 30, 2014 are as follows:

	Major Funds				Other Governmental Funds	Total Governmental Funds
	Operational 11000	Title I IASA 24101	Cap. Improv. SB-9 31700	Debt Service 41000		
Property taxes	\$ 6	\$ -	\$ 23	\$ 54	\$ -	\$ 83
Due from other governments	13,998	383,170	105,641	-	477,429	980,238
Other	-	-	-	-	2,666	2,666
Total receivables	<u>\$ 14,004</u>	<u>\$ 383,170</u>	<u>\$ 105,664</u>	<u>\$ 54</u>	<u>\$ 475,736</u>	<u>\$ 982,987</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$0 were not collected within the period of availability.

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

NOTE 5. Interfund Receivables, Payables, and Transfers

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances at June 30, 2014 is as follows:

Governmental Activities	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Operational (11000)	\$ 462,192	\$ -
Debt Service (41000)	728,192	-
Title I IASA (24101)	-	583,912
Capital Improvements SB-9 (31700)	-	18,414
Non-major Funds:		
Food Services (21000)	-	102,000
IDEA-B Entitlement (24106)	-	111,817
English Language Acquisition (24153)	-	22,174
Teacher/Principal Training & Recruiting (24154)	-	105,509
Rural & Low-Income Schools (24160)	-	12,105
Title I School Improvement (24162)	-	4,335
Carl D. Perkins - Special Projects - Current (24171)	-	12,499
Impact Aid - Indian Education (25147)	-	70,000
Kellogg Fund/Kellogg Foundation (26121)	-	34,401
Save the Children (26143)	-	22,479
2010 GO Bonds Student Library Fund (SB1) (27106)	-	5,028
2012 GO Bonds Student Library Fund (SB66) (27107)	-	2,201
New Mexico Reads to Lead K-3 Reading Initiative (27114)	-	22,184
PreK Initiative (27149)	-	54,799
Breakfast for Elementary Students (27155)	-	4,530
Kindergarten Three Plus (27166)	-	1,997
Totals	<u>\$ 1,190,384</u>	<u>\$ 1,190,384</u>

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

During the year ended June 30, 2014, the District returned \$15,578 from the Transportation Fund (13000) to the State of New Mexico. Additionally the GEAR-UP CHE Special Revenue Fund was closed out to the Operational Fund, and \$1,307,214 was transferred to the Debt Service Fund from the Operational and Teacherage Funds for payment on special revenue bonds. Finally, \$135,220 was transferred in the financial statement presentation from the Debt Service Fund to the Bond Building Fund. These funds were always in the Bond Building Fund on the District’s books but were recorded in the Debt Service fund in an audit. After review of the amounts which were set aside by requirement of the special revenue bond covenants, the amount has been transferred back to agree to the District’s books.

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

NOTE 5. Interfund Receivables, Payables, and Transfers (Continued)

Governmental Activities	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
Operational (11000)	\$ 560	1,207,214
Teacherage (12000)		100,000
Bond Building (31100)	135,220	
Debt Service (41000)	1,171,994	
Non-major Funds:		
GEAR-UP CHE (28178)		560
Totals	<u>\$ 1,307,774</u>	<u>\$ 1,307,774</u>

NOTE 6. Capital Assets

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

	<u>Balance</u>				<u>Balance</u>
Capital assets used in governmental activities:	<u>June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>June 30, 2014</u>
Capital assets not being depreciated:					
Construction in progress	\$ 279,352	\$ 690,459	\$ 874,585	\$ -	\$ 95,226
Total capital assets not being depreciated	<u>279,352</u>	<u>690,459</u>	<u>874,585</u>	<u>-</u>	<u>95,226</u>
Capital assets being depreciated:					
Land improvements	54,684	-	-	-	54,684
Buildings and building improvements	39,835,599	972,440	-	-	40,808,039
Furniture, fixtures, and equipment	3,185,115	39,258	-	-	3,224,373
Vehicles	2,197,763	85,493	94,931	-	2,188,325
Total capital assets being depreciated	<u>45,273,161</u>	<u>1,097,191</u>	<u>94,931</u>	<u>-</u>	<u>46,275,421</u>
Less accumulated depreciation:					
Land improvements	10,246	4,897	-	-	15,143
Buildings and building improvements	21,126,548	1,218,893	-	-	22,345,441
Furniture, fixtures, and equipment	2,495,766	230,687	-	-	2,726,453
Vehicles	1,950,283	116,206	94,931	-	1,971,558
Total accumulated depreciation	<u>25,582,843</u>	<u>1,570,683</u>	<u>94,931</u>	<u>-</u>	<u>27,058,595</u>
Total capital assets, net of depreciation	<u>\$ 19,969,670</u>	<u>\$ 216,967</u>	<u>\$ (874,584)</u>	<u>\$ -</u>	<u>\$ 19,312,053</u>

Depreciation expense for the year ended June 30, 2014 was unallocated.

At June 30, 2014, the District had started a project to revamp the HVAC system at the high school with a contract price of \$660,935, none of which was paid at year-end. Additionally, a project at an elementary school had an additional \$40,701 remaining to be completed at year-end.

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

NOTE 7. Long-Term Debt

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

	Balance at			Balance at			Due Within
	06/30/13	Additions	Deletions	06/30/14		One Year	
General Obligation Bonds	\$ 30,000	\$ -	\$ 10,000	\$ 20,000	\$	10,000	
Revenue Bonds	8,360,000	-	455,000	7,905,000		425,000	
Total Bonds Payable	8,390,000	-	465,000	7,925,000		435,000	
Compensated Absences	117,925	125,486	151,696	91,715		91,715	
Total	\$ 8,507,925	\$ 125,486	\$ 616,696	\$ 8,016,715	\$	526,715	

General Obligations Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District has one outstanding general obligation bond as of June 30, 2014. All general obligation bonds are for governmental activities.

The annual requirements to amortize the general obligation bonds as of June 30, 2014, including interest payments are as follows:

2003 GO Bonds

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 10,000	\$ 598	\$ 10,598
2016	10,000	200	10,200
Totals	\$ 20,000	\$ 798	\$ 20,798

The District also issues special revenue bonds which are backed by their Impact Aid revenues. The annual requirements to amortize the special revenue bonds as of June 30, 2014, including interest payments are as follows:

2012 Teacher Housing Revenue Bond (Refunding)

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 115,000	\$ 141,775	\$ 256,775
2016	120,000	138,250	258,250
2017	125,000	134,575	259,575
2018	125,000	130,200	255,200
2019	130,000	125,100	255,100
2020-2024	735,000	534,850	1,269,850
2025-2029	1,770,000	288,250	2,058,250
Totals	\$ 3,120,000	\$ 1,493,000	\$ 4,613,000

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

NOTE 7. Long-Term Debt (Continued)

Fiscal Year Ending June 30,	2012 A Teacher Housing Revenue Bond (Refunding)		Total Debt Service
	Principal	Interest	
2015	\$ 310,000	\$ 127,325	\$ 437,325.00
2016	320,000	118,663	438,663
2017	330,000	109,725	439,725
2018	340,000	100,512	440,512
2019	345,000	91,094	436,094
2020-2024	1,880,000	305,526	2,185,526
2025-2027	1,260,000	52,525	1,312,525
Totals	<u>\$ 4,785,000</u>	<u>\$ 905,370</u>	<u>\$ 5,690,370</u>

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

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2014, compensated absences decreased \$26,210 over the prior year accrual. See Note 1 for more details.

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

NOTE 8. Unearned Revenues

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor. The District had the following unearned revenues at June 30, 2014:

Fund#	Special Revenue Funds:	Amount
24112	IDEA-B Early Intervention Services	\$ 300
24118	Fresh Fruits and Vegetables	1,524
25109	Bilingual Ed Comp School Grants	51,589
25131	Johnson O'Malley	70,238
25149	GRADS Child Care CYFD	19,935
25184	Indian Ed Formula Grant	48,606
27129	Advanced Placement Program	22,307
	Total	<u>\$ 214,499</u>

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

NOTE 9. Risk Management

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

The NMPSIA provides coverage for up to a maximum of \$500,000,000 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.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2014, there have been no claims that have exceeded insurance coverage.

NOTE 10. Other Required Individual Fund Disclosures

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

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2014:

Fund#	Major Funds	Amount
24101	Title I - IASA	\$ 294,430
31700	Capital Improvement SB-9	112,398
	Subtotal	<u>406,828</u>
	Non-Major Funds	
21000	Food Services	34,660
24106	IDEA-B Entitlement	12,694
24153	English Language Acquisition	6,606
24154	Teacher/Principal Training & Recruiting	7,108
24160	Rural & Low-Income Schools	4,091
24171	Carl D. Perkins - Spcecial Projects - Current	3,755
26143	Save the Children	22,479
27106	2010 GO Bonds Student Library Fund (SB1)	2,504
27107	2012 GO Bonds Student Library Fund (SB66)	2,201
27149	PreK Initiative	39,229
27166	Kindergarten - Three Plus	1,997
	Subtotal	<u>137,324</u>
	Total	<u>\$ 544,152</u>

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

NOTE 10. Other Required Individual Fund Disclosures (Continued)

B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2014:

Fund #	Fund and Function	Amount
Major Funds:		
11000	Operational - Instruction	\$ 535,800
31100	Bond Building - Capital Outlay	566,606
31700	Capital Improvements SB-9	51
41000	Debt Service - Interest	14,115
Non-Major Funds:		
25153	Title XIX Medicaid 3/21 Years - General Administration	294,430
25184	Indian Ed Formula Grant - Instruction	<u>3,079</u>
	Total	<u><u>\$ 1,414,081</u></u>

The deficit in the Operational Fund was not due to a budgeting issue but due to a reversing entry to correct a prior year audit adjustment that needed corrected in the current year.

NOTE 11. Pension Plan – Educational Retirement Board

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

Funding Policy:

Member Contributions

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

Employer Contributions

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

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

NOTE 11. Pension Plan – Educational Retirement Board (Continued)

The contribution requirements of plan members and Zuni Public Schools are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2014, 2013, and 2012 were \$1,419,634, \$1,065,011, and \$1,009,470, respectively, which equal the amount of the required contributions for each fiscal year.

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

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

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

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

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

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.

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2014, 2013, and 2012 were \$210,622, \$192,894, and \$196,651, respectively, which equal the required contributions for each year.

NOTE 13. Unavailable Revenues

The District received \$20,571 from the Save the Children program subsequent to year-end. However, these funds were received more than 60 days after year-end. As such, the amounts are recorded as a receivable and a deferred inflows of resources in the funds statements; however, for the government-wide statements the amounts are recorded as a receivable and a revenue.

NOTE 14. Contingent Liabilities

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

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

NOTE 15. Subsequent Accounting Standard Pronouncements

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

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

NOTE 16. Restatement – Prior Period Adjustment

During the previous year, the financial statements showed a permanent cash transfer in the governmental funds but described them as temporary loans for daily operations in the notes to the financial statements. As such, the funds that were only supposed to be temporary loans are being restated to the proper amounts. Additionally, a few minor errors existed from previous years that were eliminated in the process which resulted in a reduction of net position of \$1,104.

NOTE 17. Subsequent Events

A review of subsequent events through November 13, 2014, which is the date the financial statements were available to be issued, indicated nothing of audit significance.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 989,118	\$ 376,360	\$ 59,882	\$ 1,425,360
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	477,429	-	-	477,429
Interfund receivables	-	-	-	-
Other	2,666	-	-	2,666
Inventory	22,514	-	-	22,514
	<u>1,491,727</u>	<u>376,360</u>	<u>59,882</u>	<u>1,927,969</u>
<i>Total assets</i>				
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	54,489	-	-	54,489
Accrued payroll liabilities	-	-	-	-
Interfund payables	588,058	-	-	588,058
Unearned revenue	214,499	-	-	214,499
	<u>857,046</u>	<u>-</u>	<u>-</u>	<u>857,046</u>
<i>Total liabilities</i>				
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	20,571	-	-	20,571
	<u>20,571</u>	<u>-</u>	<u>-</u>	<u>20,571</u>
<i>Total deferred inflows of resources</i>				
FUND BALANCES				
Nonspendable	22,514	-	-	22,514
Restricted for:				
Grant mandates	258,274	-	-	258,274
Capital projects	-	2	-	2
Debt service	-	-	59,882	59,882
Assigned	557,820	376,360	-	934,180
Unassigned	(224,498)	(2)	-	(224,500)
	<u>614,110</u>	<u>376,360</u>	<u>59,882</u>	<u>1,050,352</u>
<i>Total fund balances</i>				
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,491,727</u>	<u>\$ 376,360</u>	<u>\$ 59,882</u>	<u>\$ 1,927,969</u>

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

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

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 488	\$ 488
State grants	400,705	1,203	-	401,908
Federal grants	3,479,007	2,421	-	3,481,428
Miscellaneous	254,321	-	-	254,321
Charges for services	59,816	-	-	59,816
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>4,193,849</u>	<u>3,624</u>	<u>488</u>	<u>4,197,961</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,688,318	-	-	1,688,318
Support services				
Students	232,292	-	-	232,292
Instruction	43,982	-	-	43,982
General administration	591,819	-	5	591,824
School administration	134,600	-	-	134,600
Central services	299,994	-	-	299,994
Operation & maintenance of plant	-	-	-	-
Student transportation	13,205	-	-	13,205
Other support services	-	-	-	-
Food services operations	987,591	-	-	987,591
Community service	-	-	-	-
Capital outlay	85,493	102,694	-	188,187
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,077,294</u>	<u>102,694</u>	<u>5</u>	<u>4,179,993</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>116,555</u>	<u>(99,070)</u>	<u>483</u>	<u>17,968</u>
<i>Other financing sources (uses):</i>				
Operating transfers	(560)	-	-	(560)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(560)</u>	<u>-</u>	<u>-</u>	<u>(560)</u>
<i>Net changes in fund balances</i>	<u>115,995</u>	<u>(99,070)</u>	<u>483</u>	<u>17,408</u>
<i>Fund balances - beginning of year</i>	575,421	475,430	59,399	1,110,250
<i>Prior period adjustment</i>	(77,306)	-	-	(77,306)
<i>Adjusted fund balances - beginning of year</i>	<u>498,115</u>	<u>475,430</u>	<u>59,399</u>	<u>1,032,944</u>
<i>Fund balances - end of year</i>	<u>\$ 614,110</u>	<u>\$ 376,360</u>	<u>\$ 59,882</u>	<u>\$ 1,050,352</u>

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

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

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

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

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

Skolnick Foundation (23000) – Accounts for a private donation to be used for scholarships and other projects.

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

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

IDEA-B Early Intervention Services (24112) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

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

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

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

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

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

Carl D Perkins Special Projects – Current (24171) - The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources

through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Bilingual Ed Comp School Grants (25109) – To develop school wide programs for limited English proficient students that reform, restructure and upgrade all relevant operations within a school that has a concentration of limited English proficient students. Elementary and Secondary Education Act of 1965, Title VII, Part A.

Johnson O'Malley (25131) – To provide funding for supplemental programs in special education and the other needs of eligible Native American Indian children. Funding is provided by the Johnson- O'Malley Act of 1934 as amended, Public Law 930638.

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

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

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

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

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

Kellogg Fund/Kellogg Foundation (26121) – This grant will expand evidence-based parent education and family support programs targeting vulnerable families in select New Mexico neighborhoods to promote parental knowledge of child development needs and parental advocacy skills.

Save the Children (26143) – To account for a grant received by Save the Children, which provides funding to different school programs around New Mexico.

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

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

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

New Mexico Reads to Lead K-3 Reading Initiative (27114) – To account for funds provided by the New Mexico Public Education Department to support legislative initiative to improve reading in grades K-3.

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

Advanced Placement Program (27129) –Funding to support a Pre-Advanced Placement (Pre-AP) program.

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

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

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

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

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

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

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

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

Nutrition Grant (28127) – To provide funds for nutritional education of students provided through state grants.

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

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

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

	Food Services 21000	Athletics 22000	Skolnick Foundation 23000	IDEA-B Entitlement 24106	IDEA-B Preschool 24109
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 35,720	\$ 9,138	\$ 14,796	\$ -	\$ 2,207
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	21,382	-	-	114,839	720
Interfund receivables	-	-	-	-	-
Other	-	2,666	-	-	-
Inventory	22,514	-	-	-	-
<i>Total assets</i>	<u>79,616</u>	<u>11,804</u>	<u>14,796</u>	<u>114,839</u>	<u>2,927</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	12,276	-	7,500	15,716	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	102,000	-	-	111,817	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>114,276</u>	<u>-</u>	<u>7,500</u>	<u>127,533</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	22,514	-	-	-	-
Restricted for:					
Grant mandates	-	4,062	-	-	2,927
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	57,315	7,742	15,545	-	-
Unassigned	(114,489)	-	(8,249)	(12,694)	-
<i>Total fund balances</i>	<u>(34,660)</u>	<u>11,804</u>	<u>7,296</u>	<u>(12,694)</u>	<u>2,927</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 79,616</u>	<u>\$ 11,804</u>	<u>\$ 14,796</u>	<u>\$ 114,839</u>	<u>\$ 2,927</u>

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

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

	IDEA-B Early Intervention Services 24112	Fresh Fruits and Vegetables 24118	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Rural & Low-Income Schools 24160
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 300	\$ 6,805	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	20,831	98,401	8,014
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>300</u>	<u>6,805</u>	<u>20,831</u>	<u>98,401</u>	<u>8,014</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	5,281	5,263	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	22,174	105,509	12,105
Unearned revenue	300	1,524	-	-	-
<i>Total liabilities</i>	<u>300</u>	<u>6,805</u>	<u>27,437</u>	<u>105,509</u>	<u>12,105</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(6,606)	(7,108)	(4,091)
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,606)</u>	<u>(7,108)</u>	<u>(4,091)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 300</u>	<u>\$ 6,805</u>	<u>\$ 20,831</u>	<u>\$ 98,401</u>	<u>\$ 8,014</u>

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

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

	Title I School Improvement 24162	Carl D Perkins Special Projects Current 24171	Bilingual Ed Comp School Grants 25109	Johnson O'Malley 25131	Impact Aid Special Education 25145
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ 51,589	\$ 74,988	\$ 270,765
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	4,335	8,744	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>4,335</u>	<u>8,744</u>	<u>51,589</u>	<u>74,988</u>	<u>270,765</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	4,750	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	4,335	12,499	-	-	-
Unearned revenue	-	-	51,589	70,238	-
<i>Total liabilities</i>	<u>4,335</u>	<u>12,499</u>	<u>51,589</u>	<u>74,988</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	273,861
Unassigned	-	(3,755)	-	-	(3,096)
<i>Total fund balances</i>	<u>-</u>	<u>(3,755)</u>	<u>-</u>	<u>-</u>	<u>270,765</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 4,335</u>	<u>\$ 8,744</u>	<u>\$ 51,589</u>	<u>\$ 74,988</u>	<u>\$ 270,765</u>

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

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

	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153	Indian Ed Formula Grant 25184	Kellogg Fund/ Kellogg Foundation 26121
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 350,465	\$ 19,935	\$ 47,563	\$ 29,058	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	14,133	19,548	78,796
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>350,465</u>	<u>19,935</u>	<u>61,696</u>	<u>48,606</u>	<u>78,796</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	3,703	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	70,000	-	-	-	34,401
Unearned revenue	-	19,935	-	48,606	-
<i>Total liabilities</i>	<u>73,703</u>	<u>19,935</u>	<u>-</u>	<u>48,606</u>	<u>34,401</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	108,994	-	26,107	-	44,395
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	167,768	-	35,589	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>276,762</u>	<u>-</u>	<u>61,696</u>	<u>-</u>	<u>44,395</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 350,465</u>	<u>\$ 19,935</u>	<u>\$ 61,696</u>	<u>\$ 48,606</u>	<u>\$ 78,796</u>

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

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

	Save the Children 26143	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	20,571	-	2,524	-	22,184
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>20,571</u>	<u>-</u>	<u>2,524</u>	<u>-</u>	<u>22,184</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	22,479	-	5,028	2,201	22,184
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>22,479</u>	<u>-</u>	<u>5,028</u>	<u>2,201</u>	<u>22,184</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	20,571	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>20,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(22,479)	-	(2,504)	(2,201)	-
<i>Total fund balances</i>	<u>(22,479)</u>	<u>-</u>	<u>(2,504)</u>	<u>(2,201)</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 20,571</u>	<u>\$ -</u>	<u>\$ 2,524</u>	<u>\$ -</u>	<u>\$ 22,184</u>

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2014

	Technology for Education PED 27117	Advanced Placement Program 27129	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 6,758	\$ -	\$ -	\$ 9,959	\$ 36,636
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	22,307	15,570	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>6,758</u>	<u>22,307</u>	<u>15,570</u>	<u>9,959</u>	<u>36,636</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	54,799	-	-
Unearned revenue	-	22,307	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>22,307</u>	<u>54,799</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	6,758	-	-	9,959	36,636
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(39,229)	-	-
<i>Total fund balances</i>	<u>6,758</u>	<u>-</u>	<u>(39,229)</u>	<u>9,959</u>	<u>36,636</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 6,758</u>	<u>\$ 22,307</u>	<u>\$ 15,570</u>	<u>\$ 9,959</u>	<u>\$ 36,636</u>

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

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

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	2013 School Bus 27178	NM Grown Fresh Fruits and Vegetables 27183	Next Generation Assessments 27185
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	4,530	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>4,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	4,530	1,997	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>4,530</u>	<u>1,997</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(1,997)	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>(1,997)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 4,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

	Nutrition Grant 28127	GEAR-UP CHE 28178	Private Direct Grants 29102	Total
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 1,965	\$ -	\$ 20,471	\$ 989,118
Accounts receivable				-
Taxes	-	-	-	-
Due from other governments	-	-	-	477,429
Interfund receivables	-	-	-	-
Other	-	-	-	2,666
Inventory	-	-	-	22,514
<i>Total assets</i>	<u>1,965</u>	<u>-</u>	<u>20,471</u>	<u>1,491,727</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	54,489
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	588,058
Unearned revenue	-	-	-	214,499
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>857,046</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	20,571
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,571</u>
FUND BALANCES				
Nonspendable	-	-	-	22,514
Restricted for:				
Grant mandates	1,965	-	20,471	262,274
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	557,820
Unassigned	-	-	-	(228,498)
<i>Total fund balances</i>	<u>1,965</u>	<u>-</u>	<u>20,471</u>	<u>614,110</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,965</u>	<u>\$ -</u>	<u>\$ 20,471</u>	<u>\$ 1,491,727</u>

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

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

Statement B-2

	Food Services 21000	Athletics 22000	Skolnick Foundation 23000	IDEA-B Entitlement 24106	IDEA-B Preschool 24109
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	21,382	-	-	-	-
Federal grants	822,599	-	-	396,251	6,752
Miscellaneous	-	-	25,000	-	-
Charges for services	13,230	46,586	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>857,211</u>	<u>46,586</u>	<u>25,000</u>	<u>396,251</u>	<u>6,752</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	51,663	44,789	339,281	3,649
Support services					
Students	-	-	-	39,155	-
Instruction	-	-	-	-	-
General administration	-	-	-	32,877	176
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	924,064	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>924,064</u>	<u>51,663</u>	<u>44,789</u>	<u>411,313</u>	<u>3,825</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(66,853)</u>	<u>(5,077)</u>	<u>(19,789)</u>	<u>(15,062)</u>	<u>2,927</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(66,853)</u>	<u>(5,077)</u>	<u>(19,789)</u>	<u>(15,062)</u>	<u>2,927</u>
<i>Fund balances - beginning of year</i>	32,193	16,881	27,085	-	-
<i>Prior period adjustment</i>	-	-	-	2,368	-
<i>Adjusted fund balances - beginning of year</i>	<u>32,193</u>	<u>16,881</u>	<u>27,085</u>	<u>2,368</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (34,660)</u>	<u>\$ 11,804</u>	<u>\$ 7,296</u>	<u>\$ (12,694)</u>	<u>\$ 2,927</u>

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

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

Statement B-2

	IDEA-B Early Intervention Services 24112	Fresh Fruits and Vegetables 24118	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Rural & Low-Income Schools 24160
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	31,664	23,035	128,912	29,781
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>31,664</u>	<u>23,035</u>	<u>128,912</u>	<u>29,781</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	24,597	116,474	20,365
Support services					
Students	-	-	734	-	-
Instruction	-	-	1,436	-	-
General administration	-	-	1,873	11,979	9,416
School administration	-	-	-	6,203	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	31,664	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>31,664</u>	<u>28,640</u>	<u>134,656</u>	<u>29,781</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,605)</u>	<u>(5,744)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(5,605)</u>	<u>(5,744)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	-	-	-	-
<i>Prior period adjustment</i>	-	-	(1,001)	(1,364)	(4,091)
<i>Adjusted fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,001)</u>	<u>(1,364)</u>	<u>(4,091)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,606)</u>	<u>\$ (7,108)</u>	<u>\$ (4,091)</u>

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

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

Statement B-2

	Title I School Improvement 24162	Carl D Perkins Special Projects Current 24171	Bilingual Ed Comp School Grants 25109	Johnson O'Malley 25131	Impact Aid Special Education 25145
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	88,138	40,793	-	100,992	174,240
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>88,138</u>	<u>40,793</u>	<u>-</u>	<u>100,992</u>	<u>174,240</u>
<i>Expenditures:</i>					
Current:					
Instruction	59,220	40,733	-	83,397	20,034
Support services					
Students	-	-	-	355	13,605
Instruction	-	-	-	-	-
General administration	-	-	-	15,768	200,619
School administration	28,918	-	-	172	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	1,253	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>88,138</u>	<u>40,733</u>	<u>-</u>	<u>100,945</u>	<u>234,258</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>60</u>	<u>-</u>	<u>47</u>	<u>(60,018)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>60</u>	<u>-</u>	<u>47</u>	<u>(60,018)</u>
<i>Fund balances - beginning of year</i>	-	-	-	-	330,783
<i>Prior period adjustment</i>	-	(3,815)	-	(47)	-
<i>Adjusted fund balances - beginning of year</i>	<u>-</u>	<u>(3,815)</u>	<u>-</u>	<u>(47)</u>	<u>330,783</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (3,755)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,765</u>

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

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

Statement B-2

	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153	Indian Ed Formula Grant 25184	Kellogg Fund/ Kellogg Foundation 26121
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	1,304,350	-	88,990	242,510	-
Miscellaneous	-	-	-	-	120,750
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>1,304,350</u>	<u>-</u>	<u>88,990</u>	<u>242,510</u>	<u>120,750</u>
<i>Expenditures:</i>					
Current:					
Instruction	363,876	-	-	226,876	-
Support services					
Students	62,512	-	115,931	-	-
Instruction	30,335	-	-	2,329	5,157
General administration	232,420	-	248	13,305	71,198
School administration	38,451	-	-	-	-
Central services	299,994	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>1,027,588</u>	<u>-</u>	<u>116,179</u>	<u>242,510</u>	<u>76,355</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>276,762</u>	<u>-</u>	<u>(27,189)</u>	<u>-</u>	<u>44,395</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>276,762</u>	<u>-</u>	<u>(27,189)</u>	<u>-</u>	<u>44,395</u>
<i>Fund balances - beginning of year</i>	-	-	88,885	-	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>88,885</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 276,762</u>	<u>\$ -</u>	<u>\$ 61,696</u>	<u>\$ -</u>	<u>\$ 44,395</u>

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

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

Statement B-2

	Save the Children 26143	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	2,990	2,524	-	53,608
Federal grants	-	-	-	-	-
Miscellaneous	108,571	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>108,571</u>	<u>2,990</u>	<u>2,524</u>	<u>-</u>	<u>53,608</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	42,414	1,999	-	-	53,608
Support services					
Students	-	-	-	-	-
Instruction	-	-	2,524	2,201	-
General administration	-	-	-	-	-
School administration	60,856	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	6,952	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>110,222</u>	<u>1,999</u>	<u>2,524</u>	<u>2,201</u>	<u>53,608</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,651)</u>	<u>991</u>	<u>-</u>	<u>(2,201)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(1,651)</u>	<u>991</u>	<u>-</u>	<u>(2,201)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	-	-	-	-
<i>Prior period adjustment</i>	<u>(20,828)</u>	<u>(991)</u>	<u>(2,504)</u>	<u>-</u>	<u>-</u>
<i>Adjusted fund balances - beginning of year</i>	<u>(20,828)</u>	<u>(991)</u>	<u>(2,504)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (22,479)</u>	<u>\$ -</u>	<u>\$ (2,504)</u>	<u>\$ (2,201)</u>	<u>\$ -</u>

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

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

Statement B-2

	Technology for Education PED 27117	Advanced Placement Program 27129	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	60,716	21,127	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>60,716</u>	<u>21,127</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	-	57,680	18,935	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	530	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>58,210</u>	<u>18,935</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,506</u>	<u>2,192</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,506</u>	<u>2,192</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	6,758	-	-	7,767	36,636
<i>Prior period adjustment</i>	-	-	(41,735)	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>6,758</u>	<u>-</u>	<u>(41,735)</u>	<u>7,767</u>	<u>36,636</u>
<i>Fund balances - end of year</i>	<u>\$ 6,758</u>	<u>\$ -</u>	<u>\$ (39,229)</u>	<u>\$ 9,959</u>	<u>\$ 36,636</u>

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

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

Statement B-2

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	2013 School Bus 27178	NM Grown Fresh Fruits and Vegetables 27183	Next Generation Assessments 27185
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	31,863	121,002	85,493	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>31,863</u>	<u>121,002</u>	<u>85,493</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	-	118,728	-	-	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	5,000	-	-	-
Other support services	-	-	-	-	-
Food services operations	31,863	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	85,493	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>31,863</u>	<u>123,728</u>	<u>85,493</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(2,726)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(2,726)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	-	4,027	-	-	-
<i>Prior period adjustment</i>	-	(3,298)	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>-</u>	<u>729</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (1,997)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

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

	Nutrition Grant 28127	GEAR-UP CHE 28178	Private Direct Grants 29102	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	400,705
Federal grants	-	-	-	3,479,007
Miscellaneous	-	-	-	254,321
Charges for services	-	-	-	59,816
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,193,849</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	1,688,318
Support services				
Students	-	-	-	232,292
Instruction	-	-	-	43,982
General administration	-	-	1,410	591,819
School administration	-	-	-	134,600
Central services	-	-	-	299,994
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	13,205
Other support services	-	-	-	-
Food services operations	-	-	-	987,591
Community service	-	-	-	-
Capital outlay	-	-	-	85,493
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>1,410</u>	<u>4,077,294</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,410)</u>	<u>116,555</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	(560)	-	(560)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(560)</u>	<u>-</u>	<u>(560)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(560)</u>	<u>(1,410)</u>	<u>115,995</u>
<i>Fund balances - beginning of year</i>	1,965	560	21,881	575,421
<i>Prior period adjustment</i>	-	-	-	(77,306)
<i>Adjusted fund balances - beginning of year</i>	<u>1,965</u>	<u>560</u>	<u>21,881</u>	<u>498,115</u>
<i>Fund balances - end of year</i>	<u>\$ 1,965</u>	<u>\$ -</u>	<u>\$ 20,471</u>	<u>\$ 614,110</u>

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

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

Statement B-3

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	708,447	779,113	786,228	7,115
Miscellaneous	-	-	-	-
Charges for services	9,750	9,750	13,230	3,480
Interest	-	-	-	-
<i>Total revenues</i>	<u>718,197</u>	<u>788,863</u>	<u>799,458</u>	<u>10,595</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	718,197	880,752	855,627	25,125
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>718,197</u>	<u>880,752</u>	<u>855,627</u>	<u>25,125</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(91,889)</u>	<u>(56,169)</u>	<u>35,720</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	91,889	-	(91,889)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>91,889</u>	<u>-</u>	<u>(91,889)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(56,169)</u>	<u>(56,169)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(10,111)</u>	<u>(10,111)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(10,111)</u>	<u>(10,111)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (66,280)</u>	<u>\$ (66,280)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (56,169)	
Adjustments to revenues			57,753	
Adjustments to expenditures			(68,437)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (66,853)</u>	

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

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

Statement B-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	50,000	50,000	43,920	(6,080)
Interest	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>43,920</u>	<u>(6,080)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	60,677	66,881	51,663	15,218
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>60,677</u>	<u>66,881</u>	<u>51,663</u>	<u>15,218</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(10,677)</u>	<u>(16,881)</u>	<u>(7,743)</u>	<u>9,138</u>
<i>Other financing sources (uses):</i>				
Designated cash	10,677	16,881	-	(16,881)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>10,677</u>	<u>16,881</u>	<u>-</u>	<u>(16,881)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,743)</u>	<u>(7,743)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	16,881	16,881
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,881</u>	<u>16,881</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,138</u>	<u>\$ 9,138</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (7,743)	
Adjustments to revenues			2,666	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (5,077)</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SKOLNICK FOUNDATION SPECIAL REVENUE FUND (23000)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	25,000	25,000	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,335	52,085	37,289	14,796
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,335</u>	<u>52,085</u>	<u>37,289</u>	<u>14,796</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(5,335)</u>	<u>(27,085)</u>	<u>(12,289)</u>	<u>14,796</u>
<i>Other financing sources (uses):</i>				
Designated cash	5,335	27,085	-	(27,085)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,335</u>	<u>27,085</u>	<u>-</u>	<u>(27,085)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(12,289)</u>	<u>(12,289)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	27,085	27,085
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>27,085</u>	<u>27,085</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,796</u>	<u>\$ 14,796</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (12,289)	
Adjustments to revenues			-	
Adjustments to expenditures			(7,500)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (19,789)</u>	

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

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

Statement B-6

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	347,108	667,538	383,545	(283,993)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>347,108</u>	<u>667,538</u>	<u>383,545</u>	<u>(283,993)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	283,002	521,410	337,476	183,934
Support services				
Students	38,176	63,676	39,155	24,521
Instruction	-	-	-	-
General administration	25,930	82,452	18,966	63,486
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>347,108</u>	<u>667,538</u>	<u>395,597</u>	<u>271,941</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,052)</u>	<u>(12,052)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(12,052)</u>	<u>(12,052)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(102,133)</u>	<u>(102,133)</u>
Prior period adjustments	-	-	2,368	2,368
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(99,765)</u>	<u>(99,765)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (111,817)</u>	<u>\$ (111,817)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (12,052)	
Adjustments to revenues			12,706	
Adjustments to expenditures			<u>(15,716)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (15,062)</u>	

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

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

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	9,401	13,679	14,558	879
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>9,401</u>	<u>13,679</u>	<u>14,558</u>	<u>879</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,750	11,740	3,649	8,091
Support services				
Students	1,122	1,122	-	1,122
Instruction	-	-	-	-
General administration	529	817	176	641
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,401</u>	<u>13,679</u>	<u>3,825</u>	<u>9,854</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>10,733</u>	<u>10,733</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>10,733</u>	<u>10,733</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(8,526)	(8,526)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,526)</u>	<u>(8,526)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,207</u>	<u>\$ 2,207</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 10,733	
Adjustments to revenues			(7,806)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 2,927</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B EARLY INTERVENTION SERVICES SPECIAL REVENUE FUND (24112)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-8

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	300	300
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>300</u>	<u>300</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 300</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	34,150	31,627	(2,523)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>34,150</u>	<u>31,627</u>	<u>(2,523)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	34,150	26,383	7,767
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>34,150</u>	<u>26,383</u>	<u>7,767</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>5,244</u>	<u>5,244</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>5,244</u>	<u>5,244</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,561	1,561
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,561</u>	<u>1,561</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,805</u>	<u>\$ 6,805</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 5,244	
Adjustments to revenues			37	
Adjustments to expenditures			(5,281)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	39,255	53,564	21,147	(32,417)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>39,255</u>	<u>53,564</u>	<u>21,147</u>	<u>(32,417)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	18,000	32,309	19,334	12,975
Support services				
Students	-	1,000	734	266
Instruction	15,000	14,000	1,436	12,564
General administration	6,255	6,255	1,873	4,382
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,255</u>	<u>53,564</u>	<u>23,377</u>	<u>30,187</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,230)</u>	<u>(2,230)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,230)</u>	<u>(2,230)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(18,943)	(18,943)
Prior period adjustments	-	-	(1,001)	(1,001)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,944)</u>	<u>(19,944)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,174)</u>	<u>\$ (22,174)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (2,230)	
Adjustments to revenues			1,888	
Adjustments to expenditures			(5,263)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (5,605)</u>	

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

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

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	144,008	144,008	147,862	3,854
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>144,008</u>	<u>144,008</u>	<u>147,862</u>	<u>3,854</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	117,756	117,756	116,474	1,282
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	13,713	15,713	12,799	2,914
School administration	12,539	10,539	6,203	4,336
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>144,008</u>	<u>144,008</u>	<u>135,476</u>	<u>8,532</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>12,386</u>	<u>12,386</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>12,386</u>	<u>12,386</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(116,531)	(116,531)
Prior period adjustments	-	-	(1,364)	(1,364)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(117,895)</u>	<u>(117,895)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (105,509)</u>	<u>\$ (105,509)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 12,386	
Adjustments to revenues			(18,950)	
Adjustments to expenditures			820	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (5,744)</u>	

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

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

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	21,767	47,073	21,767	(25,306)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>21,767</u>	<u>47,073</u>	<u>21,767</u>	<u>(25,306)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	20,365	20,365	20,365	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,402	26,708	9,416	17,292
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,767</u>	<u>47,073</u>	<u>29,781</u>	<u>17,292</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,014)</u>	<u>(8,014)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(8,014)</u>	<u>(8,014)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	(4,091)	(4,091)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,091)</u>	<u>(4,091)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,105)</u>	<u>\$ (12,105)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (8,014)	
Adjustments to revenues			8,014	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND (24162)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-13

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	112,168	83,803	(28,365)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>112,168</u>	<u>83,803</u>	<u>(28,365)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	73,887	59,220	14,667
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	7,224	-	7,224
School administration	-	31,057	28,918	2,139
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>112,168</u>	<u>88,138</u>	<u>24,030</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,335)</u>	<u>(4,335)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(4,335)</u>	<u>(4,335)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,335)</u>	<u>\$ (4,335)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (4,335)	
Adjustments to revenues			4,335	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-14

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

CARL D PERKINS SPECIAL PROJECTS - CURRENT SPECIAL REVENUE FUND (24171)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	40,849	49,307	8,458
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>40,849</u>	<u>49,307</u>	<u>8,458</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	40,849	40,733	116
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>40,849</u>	<u>40,733</u>	<u>116</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,574</u>	<u>8,574</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,574</u>	<u>8,574</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(17,258)	(17,258)
Prior period adjustments	-	-	(3,815)	(3,815)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,073)</u>	<u>(21,073)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,499)</u>	<u>\$ (12,499)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 8,574	
Adjustments to revenues			(8,514)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 60</u>	

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

STATE OF NEW MEXICO

Statement B-15

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

BILINGUAL EDUCATION/COMPREHENSIVE SCHOOL GRANTS SPECIAL REVENUE FUND (25109)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	51,589	51,589
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>51,589</u>	<u>51,589</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,589</u>	<u>\$ 51,589</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 JOHNSON O'MALLEY SPECIAL REVENUE FUND (25131)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-16

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	118,704	171,230	52,526
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>118,704</u>	<u>171,230</u>	<u>52,526</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	87,403	78,647	8,756
Support services				
Students	-	355	355	-
Instruction	-	-	-	-
General administration	-	29,521	15,768	13,753
School administration	-	172	172	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	1,253	1,253	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>118,704</u>	<u>96,195</u>	<u>22,509</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>75,035</u>	<u>75,035</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>75,035</u>	<u>75,035</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	(47)	(47)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(47)</u>	<u>(47)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,988</u>	<u>\$ 74,988</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 75,035	
Adjustments to revenues			(70,238)	
Adjustments to expenditures			(4,750)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 47</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-17

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	121,140	121,140	174,240	53,100
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>121,140</u>	<u>121,140</u>	<u>174,240</u>	<u>53,100</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	77,037	77,037	20,034	57,003
Support services				
Students	43,101	43,101	13,605	29,496
Instruction	-	-	-	-
General administration	236,976	236,976	200,619	36,357
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>357,114</u>	<u>357,114</u>	<u>234,258</u>	<u>122,856</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(235,974)</u>	<u>(235,974)</u>	<u>(60,018)</u>	<u>175,956</u>
<i>Other financing sources (uses):</i>				
Designated cash	235,974	235,974	-	(235,974)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>235,974</u>	<u>235,974</u>	<u>-</u>	<u>(235,974)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(60,018)</u>	<u>(60,018)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	330,783	330,783
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>330,783</u>	<u>330,783</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,765</u>	<u>\$ 270,765</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (60,018)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (60,018)</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND (25147)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,257,103	1,257,103	1,246,519	(10,584)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,257,103</u>	<u>1,257,103</u>	<u>1,246,519</u>	<u>(10,584)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	395,502	395,502	362,844	32,658
Support services				
Students	58,525	62,231	62,230	1
Instruction	30,351	30,351	30,190	161
General administration	232,510	232,510	231,510	1,000
School administration	38,488	38,488	38,296	192
Central services	324,869	321,163	298,815	22,348
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	176,858	176,858	-	176,858
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,257,103</u>	<u>1,257,103</u>	<u>1,023,885</u>	<u>233,218</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>222,634</u>	<u>222,634</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>222,634</u>	<u>222,634</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>57,831</u>	<u>57,831</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>57,831</u>	<u>57,831</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,465</u>	<u>\$ 280,465</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 222,634	
Adjustments to revenues			57,831	
Adjustments to expenditures			(3,703)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 276,762</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS CHILD CARE CYFD SPECIAL REVENUE FUND (25149)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-19

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	19,935	19,935
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>19,935</u>	<u>19,935</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,935</u>	<u>\$ 19,935</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

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

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	65,000	65,000	90,848	25,848
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>65,000</u>	<u>65,000</u>	<u>90,848</u>	<u>25,848</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	128,134	128,134	115,931	12,203
Instruction	-	-	-	-
General administration	-	-	248	(248)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>128,134</u>	<u>128,134</u>	<u>116,179</u>	<u>11,955</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(63,134)</u>	<u>(63,134)</u>	<u>(25,331)</u>	<u>37,803</u>
<i>Other financing sources (uses):</i>				
Designated cash	63,134	63,134	-	(63,134)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>63,134</u>	<u>63,134</u>	<u>-</u>	<u>(63,134)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(25,331)</u>	<u>(25,331)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	72,894	72,894
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>72,894</u>	<u>72,894</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,563</u>	<u>\$ 47,563</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (25,331)	
Adjustments to revenues			(1,858)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (27,189)</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND (25184)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	243,382	243,382	223,389	(19,993)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>243,382</u>	<u>243,382</u>	<u>223,389</u>	<u>(19,993)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	223,797	223,797	226,876	(3,079)
Support services				
Students	-	-	-	-
Instruction	904	2,454	2,329	125
General administration	18,681	17,131	13,305	3,826
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>243,382</u>	<u>243,382</u>	<u>242,510</u>	<u>872</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,121)</u>	<u>(19,121)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(19,121)</u>	<u>(19,121)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	48,179	48,179
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>48,179</u>	<u>48,179</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,058</u>	<u>\$ 29,058</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (19,121)	
Adjustments to revenues			19,121	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 KELLOGG FUND/KELLOGG FOUNDATION SPECIAL REVENUE FUND (26121)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	120,750	41,954	(78,796)
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>120,750</u>	<u>41,954</u>	<u>(78,796)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	12,280	5,157	7,123
General administration	-	108,470	71,198	37,272
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>120,750</u>	<u>76,355</u>	<u>44,395</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(34,401)</u>	<u>(34,401)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(34,401)</u>	<u>(34,401)</u>
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,401)</u>	<u>\$ (34,401)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (34,401)	
Adjustments to revenues			78,796	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 44,395</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SAVE THE CHILDREN SPECIAL REVENUE FUND (26143)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	144,357	108,571	(35,786)
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>144,357</u>	<u>108,571</u>	<u>(35,786)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	62,659	42,414	20,245
Support services				
Students	-	4,200	-	4,200
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	66,498	60,856	5,642
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	11,000	6,952	4,048
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>144,357</u>	<u>110,222</u>	<u>34,135</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,651)</u>	<u>(1,651)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,651)</u>	<u>(1,651)</u>
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	(20,828)	(20,828)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(20,828)</u>	<u>(20,828)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,479)</u>	<u>\$ (22,479)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (1,651)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (1,651)</u>	

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

STATE OF NEW MEXICO

Statement B-24

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	3,524	2,990	(534)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,524</u>	<u>2,990</u>	<u>(534)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,524	1,999	1,525
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,524</u>	<u>1,999</u>	<u>1,525</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>991</u>	<u>991</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>991</u>	<u>991</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	(991)	(991)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(991)</u>	<u>(991)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 991	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 991</u>	

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

STATE OF NEW MEXICO

Statement B-25

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

2010 GO BONDS STUDENT LIBRARY FUND (SB1) SPECIAL REVENUE FUND (27106)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	2,544	2,544	-	(2,544)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,544</u>	<u>2,544</u>	<u>-</u>	<u>(2,544)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	2,544	2,544	2,524	20
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,544</u>	<u>2,544</u>	<u>2,524</u>	<u>20</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,524)</u>	<u>(2,524)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,524)</u>	<u>(2,524)</u>
<i>Cash or fund balances - beginning of year</i>				
Prior period adjustments	-	-	(2,504)	(2,504)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,504)</u>	<u>(2,504)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,028)</u>	<u>\$ (5,028)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (2,524)	
Adjustments to revenues			2,524	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

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

FOR THE YEAR ENDING JUNE 30, 2014

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	16,550	16,550	-	(16,550)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>16,550</u>	<u>16,550</u>	<u>-</u>	<u>(16,550)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	16,550	16,550	2,201	14,349
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>16,550</u>	<u>16,550</u>	<u>2,201</u>	<u>14,349</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,201)</u>	<u>(2,201)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,201)</u>	<u>(2,201)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,201)</u>	<u>\$ (2,201)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (2,201)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (2,201)</u>	

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

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

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

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	84,439	31,424	(53,015)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>84,439</u>	<u>31,424</u>	<u>(53,015)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	84,439	53,608	30,831
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>84,439</u>	<u>53,608</u>	<u>30,831</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,184)</u>	<u>(22,184)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(22,184)</u>	<u>(22,184)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,184)</u>	<u>\$ (22,184)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (22,184)	
Adjustments to revenues			22,184	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND (27117)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,758	6,758
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,758</u>	<u>6,758</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ 6,758</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ADVANCED PLACEMENT PROGRAM SPECIAL REVENUE FUND (27129)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-29

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

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

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

Statement B-30

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	60,000	60,000	45,146	(14,854)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>60,000</u>	<u>60,000</u>	<u>45,146</u>	<u>(14,854)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	59,400	59,400	57,680	1,720
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	600	600	530	70
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>60,000</u>	<u>60,000</u>	<u>58,210</u>	<u>1,790</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,064)</u>	<u>(13,064)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(13,064)</u>	<u>(13,064)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prior period adjustments	-	-	(41,735)	(41,735)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(41,735)</u>	<u>(41,735)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,799)</u>	<u>\$ (54,799)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (13,064)	
Adjustments to revenues			15,570	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 2,506</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INDIAN EDUCATION ACT SPECIAL REVENUE FUND (27150)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-31

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	20,000	21,127	1,127
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,000</u>	<u>21,127</u>	<u>1,127</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	20,000	18,935	1,065
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>20,000</u>	<u>18,935</u>	<u>1,065</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,192</u>	<u>2,192</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,192</u>	<u>2,192</u>
<i>Cash or fund balances - beginning of year</i>	-	-	7,767	7,767
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,767</u>	<u>7,767</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,959</u>	<u>\$ 9,959</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 2,192	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 2,192</u>	

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

STATE OF NEW MEXICO

Statement B-32

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	36,636	36,636
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>36,636</u>	<u>36,636</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,636</u>	<u>\$ 36,636</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-33

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	32,554	54,178	21,624
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>32,554</u>	<u>54,178</u>	<u>21,624</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	32,554	31,863	691
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>32,554</u>	<u>31,863</u>	<u>691</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>22,315</u>	<u>22,315</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>22,315</u>	<u>22,315</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(26,845)	(26,845)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,845)</u>	<u>(26,845)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,530)</u>	<u>\$ (4,530)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 22,315	
Adjustments to revenues			(22,315)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND (27166)
FOR THE YEAR ENDING JUNE 30, 2014

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	236,786	236,786	257,462	20,676
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>236,786</u>	<u>236,786</u>	<u>257,462</u>	<u>20,676</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	231,786	231,786	118,728	113,058
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	5,000	5,000	5,000	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>236,786</u>	<u>236,786</u>	<u>123,728</u>	<u>113,058</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>133,734</u>	<u>133,734</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>133,734</u>	<u>133,734</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(132,433)	(132,433)
Prior period adjustments	-	-	(3,298)	(3,298)
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(135,731)</u>	<u>(135,731)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,997)</u>	<u>\$ (1,997)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 133,734	
Adjustments to revenues			(136,460)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (2,726)</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2013 SCHOOL BUS SPECIAL REVENUE FUND (27178)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-35

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	86,136	85,493	(643)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>86,136</u>	<u>85,493</u>	<u>(643)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	86,136	85,493	643
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>86,136</u>	<u>85,493</u>	<u>643</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-36

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

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

NM GROWN FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (27183)

FOR THE YEAR ENDING JUNE 30, 2014

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	591	-	(591)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>591</u>	<u>-</u>	<u>(591)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	591	-	591
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>591</u>	<u>-</u>	<u>591</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

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

Statement B-37

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	8,851	-	(8,851)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,851</u>	<u>-</u>	<u>(8,851)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	8,851	-	8,851
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,851</u>	<u>-</u>	<u>8,851</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NUTRITION GRANT SPECIAL REVENUE FUND (28127)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-38

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,965	1,965
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,965</u>	<u>1,965</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,965</u>	<u>\$ 1,965</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GEAR-UP CHE SPECIAL REVENUE FUND (28178)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(560)	(560)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(560)</u>	<u>(560)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(560)</u>	<u>(560)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	560	560
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>560</u>	<u>560</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (560)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (560)</u>	

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

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

Statement B-40

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	17,488	-	17,488
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	3,559	1,410	2,149
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	834	-	834
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>21,881</u>	<u>1,410</u>	<u>20,471</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(21,881)</u>	<u>(1,410)</u>	<u>20,471</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	21,881	-	(21,881)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>21,881</u>	<u>-</u>	<u>(21,881)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,410)</u>	<u>(1,410)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	21,881	21,881
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>21,881</u>	<u>21,881</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,471</u>	<u>\$ 20,471</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (1,410)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (1,410)</u>	

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

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CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Special Capital Outlay – Local (31300) – The fund provides financing from local revenues for the construction and improvements to District buildings and facilities.

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

Special Capital Outlay – Federal (31500) – This fund is used to account for the technical assistance, training and education, equipment, marketing, and all costs associated with assisting rural areas in analyzing and assessing forest resource opportunities, maximizing local economic potential through market development and expansion, and diversifying the communities' economic base. This was authorized by the Department of the Interior, Environment, and Related Agencies Appropriations Act, Public Law 106-291.

Capital Improvements HB-33 (31600) – Accounts 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 HB-33 Mill Levy approved by voters in February 2010. Authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

Public School Capital Outlay 20% (32100) – A capital projects fund to capture the 20% of eligible federal (Forest Reserve and Impact Aid) and local revenue (local taxes) that must be budgeted I Capital Outlay. Provides financing for the construction and improvement of buildings and land, and the purchase of equipment.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2014

	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Special Capital Outlay - Federal 31500	Capital Improvements HB-33 31600
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 54,237	\$ 51,168	\$ 178,092	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>54,237</u>	<u>51,168</u>	<u>178,092</u>	<u>-</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	1	-	-	-
Debt service	-	-	-	-
Assigned	54,236	51,168	178,094	-
Unassigned	-	-	(2)	-
<i>Total fund balances</i>	<u>54,237</u>	<u>51,168</u>	<u>178,092</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 54,237</u>	<u>\$ 51,168</u>	<u>\$ 178,092</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2014

	Public School Capital Outlay 20% 32100	Total
ASSETS		
<i>Current assets:</i>		
Cash and temporary investments	\$ 92,863	\$ 376,360
Accounts receivable		
Taxes	-	-
Due from other governments	-	-
Interfund receivables	-	-
Other	-	-
Inventory	-	-
	<u>92,863</u>	<u>376,360</u>
<i>Total assets</i>	<u>92,863</u>	<u>376,360</u>
LIABILITIES		
<i>Current liabilities:</i>		
Accounts payable	-	-
Accrued payroll liabilities	-	-
Interfund payables	-	-
Unearned revenue	-	-
	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues - property taxes	-	-
Unavailable revenues - other	-	-
	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>
FUND BALANCES		
Nonspendable	-	-
Restricted for:		
Grant mandates	-	-
Capital projects	1	2
Debt service	-	-
Assigned	92,862	376,360
Unassigned	-	(2)
	<u>92,863</u>	<u>376,360</u>
<i>Total fund balances</i>	<u>92,863</u>	<u>376,360</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 92,863</u>	<u>\$ 376,360</u>

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

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

Statement C-2

	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Special Capital Outlay - Federal 31500	Capital Improvements HB-33 31600
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,203	-	-
Federal grants	-	-	2,421	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,203</u>	<u>2,421</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	2,370	-	1,152	16
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,370</u>	<u>-</u>	<u>1,152</u>	<u>16</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,370)</u>	<u>1,203</u>	<u>1,269</u>	<u>(16)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(2,370)</u>	<u>1,203</u>	<u>1,269</u>	<u>(16)</u>
<i>Fund balances - beginning of year</i>	56,607	49,965	176,823	16
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>56,607</u>	<u>49,965</u>	<u>176,823</u>	<u>16</u>
<i>Fund balances - end of year</i>	<u>\$ 54,237</u>	<u>\$ 51,168</u>	<u>\$ 178,092</u>	<u>\$ -</u>

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

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

Statement C-2

	Public School Capital Outlay 20%	
	32100	Total
<i>Revenues:</i>		
Property taxes	\$ -	\$ -
State grants	-	1,203
Federal grants	-	2,421
Miscellaneous	-	-
Charges for services		
Investment Income	-	-
<i>Total revenues</i>	-	3,624
<i>Expenditures:</i>		
Current:		
Instruction	-	-
Support services		
Students	-	-
Instruction	-	-
General administration	-	-
School administration	-	-
Central services	-	-
Operation & maintenance of plant	-	-
Student transportation	-	-
Other support services	-	-
Food services operations	-	-
Community service	-	-
Capital outlay	99,156	102,694
Debt service		
Principal	-	-
Interest	-	-
<i>Total expenditures</i>	99,156	102,694
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(99,156)	(99,070)
<i>Other financing sources (uses):</i>		
Operating transfers	-	-
Proceeds from bond issues	-	-
<i>Total other financing sources (uses)</i>	-	-
<i>Net changes in fund balances</i>	(99,156)	(99,070)
<i>Fund balances - beginning of year</i>	192,019	475,430
<i>Prior period adjustment</i>	-	-
<i>Adjusted fund balances - beginning of year</i>	192,019	475,430
<i>Fund balances - end of year</i>	\$ 92,863	\$ 376,360

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

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

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	567,254	(567,254)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>567,254</u>	<u>(567,254)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(567,254)</u>	<u>(567,254)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	135,220	135,220
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>135,220</u>	<u>135,220</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(432,034)</u>	<u>(432,034)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,135,586	1,135,586
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,135,586</u>	<u>1,135,586</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 703,552</u>	<u>\$ 703,552</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (432,034)	
Adjustments to revenues			-	
Adjustments to expenditures			28,626	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (403,408)</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SPECIAL CAPITAL OUTLAY -LOCAL CAPITAL PROJECT FUND (31300)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	11,228	11,228	2,370	8,858
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,228</u>	<u>11,228</u>	<u>2,370</u>	<u>8,858</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(11,228)</u>	<u>(11,228)</u>	<u>(2,370)</u>	<u>8,858</u>
<i>Other financing sources (uses):</i>				
Designated cash	11,228	11,228	-	(11,228)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,228</u>	<u>11,228</u>	<u>-</u>	<u>(11,228)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,370)</u>	<u>(2,370)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	56,607	56,607
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>56,607</u>	<u>56,607</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,237</u>	<u>\$ 54,237</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (2,370)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (2,370)</u>	

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

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

Statement C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	1,203	1,203
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,203</u>	<u>1,203</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,203</u>	<u>1,203</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,203</u>	<u>1,203</u>
<i>Cash or fund balances - beginning of year</i>	-	-	49,965	49,965
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>49,965</u>	<u>49,965</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,168</u>	<u>\$ 51,168</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 1,203	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 1,203</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SPECIAL CAPITAL OUTLAY - FEDERAL CAPITAL PROJECT FUND (31500)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement C-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	2,421	2,421
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>2,421</u>	<u>2,421</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	171,662	171,662	1,152	170,510
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>171,662</u>	<u>171,662</u>	<u>1,152</u>	<u>170,510</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(171,662)</u>	<u>(171,662)</u>	<u>1,269</u>	<u>172,931</u>
<i>Other financing sources (uses):</i>				
Designated cash	171,662	171,662	-	(171,662)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>171,662</u>	<u>171,662</u>	<u>-</u>	<u>(171,662)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,269</u>	<u>1,269</u>
<i>Cash or fund balances - beginning of year</i>	-	-	176,823	176,823
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>176,823</u>	<u>176,823</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,092</u>	<u>\$ 178,092</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 1,269	
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)</i>			<u>\$ 1,269</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CAPITAL IMPROVEMENTS HB-33 CAPITAL PROJECT FUND (31600)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement C-7

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			(16)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (16)</u>	

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

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

Statement C-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 4,743	\$ 4,743	\$ 5,049	\$ 306
State grants	1,035,508	1,436,414	926,039	(510,375)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,040,251</u>	<u>1,441,157</u>	<u>931,088</u>	<u>(510,069)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	51	(51)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	1,040,251	1,441,157	384,507	1,056,650
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,040,251</u>	<u>1,441,157</u>	<u>384,558</u>	<u>1,056,599</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>546,530</u>	<u>546,530</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>546,530</u>	<u>546,530</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(564,944)	(564,944)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(564,944)</u>	<u>(564,944)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,414)</u>	<u>\$ (18,414)</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 546,530	
Adjustments to revenues			(485,408)	
Adjustments to expenditures			(187,749)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (126,627)</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY 20% CAPITAL PROJECT FUND (32100)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement C-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	144,770	144,770	99,156	45,614
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>144,770</u>	<u>144,770</u>	<u>99,156</u>	<u>45,614</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(144,770)</u>	<u>(144,770)</u>	<u>(99,156)</u>	<u>45,614</u>
<i>Other financing sources (uses):</i>				
Designated cash	144,770	144,770	-	(144,770)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>144,770</u>	<u>144,770</u>	<u>-</u>	<u>(144,770)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(99,156)</u>	<u>(99,156)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	192,019	192,019
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>192,019</u>	<u>192,019</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,863</u>	<u>\$ 92,863</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ (99,156)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ (99,156)</u>	

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

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DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

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

Educational Technology Debt Service Fund (43000) is used to account for the debt repayment of the debt incurred through the Education Technology Equipment Act (Capital Projects Fund) (Section 6-15A-1 to 6-15A-16 NMSA 1978).

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2014

Statement D-1

	Ed. Technology Debt Service <u>43000</u>
ASSETS	
<i>Current assets:</i>	
Cash and temporary investments	\$ 59,882
Accounts receivable	
Taxes	-
Due from other governments	-
Interfund receivables	-
Other	-
Inventory	<u>-</u>
<i>Total assets</i>	<u><u>59,882</u></u>
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts payable	-
Accrued payroll liabilities	-
Interfund payables	-
Unearned revenue	<u>-</u>
<i>Total liabilities</i>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues - property taxes	-
Unavailable revenues - other	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>-</u>
FUND BALANCES	
Nonspendable	-
Restricted for:	
Grant mandates	-
Capital projects	-
Debt service	59,882
Assigned	-
Unassigned	<u>-</u>
<i>Total fund balances</i>	<u><u>59,882</u></u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u><u>\$ 59,882</u></u>

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

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

	Education Technology Debt Service 43000
<i>Revenues:</i>	
Property taxes	\$ 488
State grants	-
Federal grants	-
Miscellaneous	-
Charges for services	
Investment Income	-
<i>Total revenues</i>	<u>488</u>
<i>Expenditures:</i>	
Current:	
Instruction	-
Support services	
Students	-
Instruction	-
General administration	5
School administration	-
Central services	-
Operation & maintenance of plant	-
Student transportation	-
Other support services	-
Food services operations	-
Community service	-
Capital outlay	-
Debt service	
Principal	-
Interest	-
<i>Total expenditures</i>	<u>5</u>
<i>Excess (deficiency) of revenues</i>	
<i>over (under) expenditures</i>	<u>483</u>
<i>Other financing sources (uses):</i>	
Operating transfers	-
Proceeds from bond issues	-
<i>Total other financing sources (uses)</i>	<u>-</u>
<i>Net changes in fund balances</i>	<u>483</u>
<i>Fund balances - beginning of year</i>	59,399
<i>Prior period adjustment</i>	-
<i>Adjusted fund balances - beginning of year</i>	<u>59,399</u>
<i>Fund balances - end of year</i>	<u>\$ 59,882</u>

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

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

Statement D-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 11,495	\$ 11,495	\$ 9,608	\$ (1,887)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	15,667	15,667
<i>Total revenues</i>	<u>11,495</u>	<u>11,495</u>	<u>25,275</u>	<u>13,780</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	100	100	96	4
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	118,923	118,923	-	118,923
Principal	465,000	465,000	465,000	-
Interest	282,877	282,877	296,992	(14,115)
<i>Total expenditures</i>	<u>866,900</u>	<u>866,900</u>	<u>762,088</u>	<u>104,812</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(855,405)</u>	<u>(855,405)</u>	<u>(736,813)</u>	<u>118,592</u>
<i>Other financing sources (uses):</i>				
Designated cash	118,923	118,923	-	(118,923)
Operating transfers	-	-	1,171,994	1,171,994
Proceeds from bond issues	736,482	736,482	-	(736,482)
<i>Total other financing sources (uses)</i>	<u>855,405</u>	<u>855,405</u>	<u>1,171,994</u>	<u>316,589</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>435,181</u>	<u>435,181</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>378,060</u>	<u>378,060</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>378,060</u>	<u>378,060</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 813,241</u>	<u>\$ 813,241</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 435,181	
Adjustments to revenues			18	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 435,199</u>	

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

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION TECHNOLOGY DEBT SERVICE FUND (43000)
 FOR THE YEAR ENDING JUNE 30, 2014

Statement D-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ 1,000	\$ 488	\$ (512)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,000</u>	<u>488</u>	<u>(512)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	100	5	95
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	64,435	60,300	-	60,300
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>64,435</u>	<u>60,400</u>	<u>5</u>	<u>60,395</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(64,435)</u>	<u>(59,400)</u>	<u>483</u>	<u>59,883</u>
<i>Other financing sources (uses):</i>				
Designated cash	64,435	59,400	-	(59,400)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>64,435</u>	<u>59,400</u>	<u>-</u>	<u>(59,400)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>483</u>	<u>483</u>
<i>Cash or fund balances - beginning of year</i>	-	-	59,399	59,399
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>59,399</u>	<u>59,399</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,882</u>	<u>\$ 59,882</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance			\$ 483	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP basis)			<u>\$ 483</u>	

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

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OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
AGENCY FUNDS

Schedule I

SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDING JUNE 30, 2014

	Balance June 30, 2013	Additions	Deletions	Adjustments	Balance June 30, 2014
Dowa Yalanne Elementary	\$ 13,199	\$ 18,823	\$ 17,053	\$ -	\$ 14,969
A:Shiwi Elementary	14,689	13,199	16,532	-	11,356
Zuni Middle School	12,024	11,637	12,590	-	11,071
Zuni High School	33,656	74,092	65,815	-	41,933
Twin Buttes High School	7,932	1,337	3,688	-	5,581
Stephanie Anton Memorial Scholarship	62,348	22,240	-	-	84,588
Stephanie Anton Memorial Fund	<u>7,452</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>12,452</u>
Total All Schools	<u>\$ 151,300</u>	<u>\$ 146,328</u>	<u>\$ 115,678</u>	<u>\$ -</u>	<u>\$ 181,950</u>

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

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

Schedule II

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity Date</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2014</u>
Wells Fargo Bank:				
	FNMA FNMS	2/1/2043	3138NY4W2	\$ 142,746
	FNMA FNMS	3/1/2043	3138W7GG3	\$ 699,517
Total Wells Fargo Bank				<u>\$ 842,263</u>

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

Bank of Albuquerque:				
	FNR 2012-101 AB	6/25/2024	3136A75W8	\$ 822,325
	FNR 2010-126 PC	11/25/2025	31398SAF0	\$ 606,986
Total Bank of Albuquerque				<u>\$ 1,429,311</u>

The securities are held at Federal Home Loan Bank of Topeka, KS not in the District's name at the following address:
 1 Security Benefit Pl Ste. 100
 Topeka, KS 66606

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

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

Schedule III

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Wells Fargo Bank						
Athletics	Checking	\$ 9,429	\$ -	\$ 482	\$ 191	\$ 9,138
Federal Programs	Checking	30,528	-	42,205	-	(11,677)
Food Service	Checking	80,258	-	47,001	-	33,257
Operational	Checking	929,564	-	69,960	-	859,604
Payroll	Checking	525,916	-	69,544	(354,070)	102,302
Teacherage	Checking	113,348	-	1,216	2,298	114,430
Savings	Savings	26,161	-	-	-	26,161
A:shiwi	Checking	11,635	-	338	60	11,357
Dowa Yalanne	Checking	16,169	-	1,509	309	14,969
Stephanie Anton Memorial Scholarship Fund	Checking	84,588	-	-	-	84,588
Stephanie Anton Memorial Fund	Checking	12,452	-	-	-	12,452
Twin Buttes High School	Checking	6,404	-	823	-	5,581
Zuni High School	Checking	43,835	-	1,902	-	41,933
Zuni Middle School	Checking	11,683	-	759	147	11,071
Total Wells Fargo Bank		<u>\$1,901,970</u>	<u>\$ -</u>	<u>\$ 235,739</u>	<u>\$ (351,065)</u>	<u>\$ 1,315,166</u>

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Bank of Albuquerque						
NM Zuni School Teach Hsg 2012A Dsr	Trust	\$ 443,195	\$ -	\$ -	\$ -	\$ 443,195
NM Zuni School Teach Hsg Bond 2012 Ds RES	Trust	312,000	-	-	-	312,000
NM Zuni School Teach Hsg 2012 Ds RES Sec 6.04	Trust	11,033	-	-	-	11,033
NM Zuni School Teach Hsg 2012 Project	Trust	635,057	-	-	-	635,057
Total Bank of Albuquerque		<u>\$1,401,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,401,285</u>
Total		<u><u>3,303,255</u></u>	<u><u>-</u></u>	<u><u>235,739</u></u>	<u><u>(351,065)</u></u>	<u><u>2,716,451</u></u>

Cash per financial statements

Cash and cash equivalents - Government Activities Exhibit A-1	2,534,501
Fiduciary funds - Exhibit D-1	181,950
	<u><u>\$ 2,716,451</u></u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2014

Schedule IV
(Page 1 of 5)

Primary Government

	Operational Account 11000	Teachergage Account 12000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2013	\$ 1,072,021	\$ 115,627	\$ 31,157	\$ 93,651	\$ (10,111)
Add:					
Current year revenues	12,224,649	366,258	515,629	88,406	799,458
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	276,373	-	-	-	-
Loans from other funds	-	-	-	-	102,000
Total cash available	13,573,043	481,885	546,786	182,057	891,347
Less:					
Current year expenditures	(11,904,197)	(267,455)	(408,656)	(98,499)	(855,627)
Permanent cash transfers	(1,206,654)	(100,000)	(15,578)	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	(462,192)	-	-	-	-
Cash, June 30, 2014	<u>\$ -</u>	<u>\$ 114,430</u>	<u>\$ 122,552</u>	<u>\$ 83,558</u>	<u>\$ 35,720</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2014

Schedule IV
(Page 2 of 5)

Primary Government

	Athletics Account 22000	Skolnick Foundation 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000
Cash, June 30, 2013	\$ 16,881	\$ 27,085	\$ (547,633)	\$ 581,211	
Add:					
Current year revenues	43,920	25,000	1,826,268	1,906,226	150,525
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	852,351	70,000	56,880
Total cash available	60,801	52,085	2,130,986	2,557,437	207,405
Less:					
Current year expenditures	(51,663)	(37,289)	(1,913,600)	(1,713,027)	(186,577)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	(208,074)	(47)	(20,828)
Loans to other funds	-	-	-	-	-
Cash, June 30, 2014	<u>\$ 9,138</u>	<u>\$ 14,796</u>	<u>\$ 9,312</u>	<u>\$ 844,363</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2014

Schedule IV
(Page 3 of 5)

Primary Government

	State Flowthrough 27000	State Direct 28000	Local / State 29000	Bond Building Account 31100	Spec. Capital Outlay-Local 31300
Cash, June 30, 2013	\$ (108,117)	\$ 2,525	\$ 21,881	\$ 1,135,586	\$ 56,607
Add:					
Current year revenues	497,820	-	-	-	-
Permanent cash transfers	-	-	-	135,220	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	90,739	-	-	-	-
Total cash available	480,442	2,525	21,881	1,270,806	56,607
Less:					
Current year expenditures	(378,561)	-	(1,410)	(567,254)	(2,370)
Permanent cash transfers	-	(560)	-	-	-
Prior period adjustment	(48,528)	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2014	<u>\$ 53,353</u>	<u>\$ 1,965</u>	<u>\$ 20,471</u>	<u>\$ 703,552</u>	<u>\$ 54,237</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2014

Schedule IV
(Page 4 of 5)

Primary Government

	Spec. Capital Outlay-State 31400	Spec. Capital Outlay-Federal 31500	Capital Improvements HB-33 31600	Cap. Improv. SB 9 31700	Educational Tech Equip 31900
Cash, June 30, 2013	\$ 49,965	\$ 176,823	\$ -	\$ (564,944)	\$ -
Add:					
Current year revenues	1,203	2,421	-	931,088	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	18,414	-
Total cash available	51,168	179,244	-	384,558	-
Less:					
Current year expenditures	-	(1,152)	-	(384,558)	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2014	<u>\$ 51,168</u>	<u>\$ 178,092</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
CASH RECONCILIATION
JUNE 30, 2014

Schedule IV
(Page 5 of 5)

Primary Government	Public School	Debt Service	Education Tech	Total
	Capital Outlay 20% 32100	Fund 41000	Debt Service Fund 43000	
Cash, June 30, 2013	\$ 192,019	\$ 378,060	\$ 59,399	\$ 2,779,693
Add:				
Current year revenues	-	25,275	488	19,404,634
Permanent cash transfers	-	1,171,994	-	1,307,214
Prior period adjustment	-	-	-	276,373
Loans from other funds	-	-	-	1,190,384
Total cash available	192,019	1,575,329	59,887	24,958,298
Less:				
Current year expenditures	(99,156)	(762,088)	(5)	(19,633,144)
Permanent cash transfers	-	-	-	(1,322,792)
Prior period adjustment	-	-	-	(277,477)
Loans to other funds	-	(728,192)	-	(1,190,384)
Cash, June 30, 2014	<u>\$ 92,863</u>	<u>\$ 85,049</u>	<u>\$ 59,882</u>	<u>\$ 2,534,501</u>

The accompanying notes are an integral part of these financial statements

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COMPLIANCE SECTION



Manning Accounting and Consulting Services, LLC

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

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the General Fund and major special revenue funds of the Zuni Public Schools (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated November 13, 2014.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weakness. (FS 2014-011 and FS 2014-012)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies. (FS 2012-005, FS 2013-002, FS 2014-006, FS 2014-007, FS 2014-009, FS 2014-010, and FS 2014-013)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 2013-003, FS 2013-004, FS 2014-001, FS 2014-002, FS 2014-003, FS-2014-004, FS 2014-005, and FS 2014-008.

Zuni Public Schools' Response to Findings

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

Purpose of this Report

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

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC

Kirtland, New Mexico

November 13, 2014

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FEDERAL FINANCIAL ASSISTANCE



Manning Accounting and Consulting Services, LLC

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item FA 2014-001 and FA 2014-002. Our opinion on each major federal program is not modified with respect to this matter.

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

Report on Internal Control over Compliance

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

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

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

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

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 13, 2014

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

Schedule V
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Public Education Department</i>			
Title I IASA (1)	24101	84.010	\$ 1,260,223
IDEA B - Entitlement (1)	24106	84.027	411,313
IDEA-B Preschool (1)	24109	84.173	3,825
English Language Acquisition	24153	84.365	28,640
Teacher / Principal Training & Recruiting	24154	84.367	134,656
Rural & Low Income Schools	24160	84.358	29,781
Title I School Improvement	24162	84.377	88,138
Carl D. Perkins - Special Projects - Current	24171	84.048	<u>40,733</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>1,997,309</u>
U.S. Department of Education - Continued			
<i>Direct U.S. Department of Education</i>			
Impact Aid (1)	11000	84.041	4,986,079
Impact Aid - Special Education (1)	25145	84.041	234,258
Impact Aid - Indian Education (1)	25147	84.041	1,027,588
Impact Aid - Construction (1)	31500	84.041	1,152
Indian Education Formula Grant (1)	25184	84.060	242,510
<i>Subtotal - Direct U.S. Department of Education</i>			<u>6,491,587</u>
Total U.S. Department of Education			<u>8,488,896</u>
U.S. Department of Interior			
Johnson O'Malley	25131	15.130	<u>100,945</u>
Total U.S. Department of Interior			<u>100,945</u>
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	<u>14,802</u>
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>14,802</u>
<i>Passthrough State of New Mexico Department of Education</i>			
Fresh Fruit and Vegetables	24118	10.582	31,664
National School Breakfast Program (1)	21000	10.553	263,721
National School Lunch Program (1)	21000	10.555	<u>518,215</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>813,600</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities) (1)	21000	10.553/ 10.555	<u>58,223</u>
<i>Subtotal - Passthrough State of New Mexico Department of Health and Human Services</i>			<u>58,223</u>
Total U.S. Department of Agriculture			<u>886,625</u>
Total Federal Financial Assistance			<u>\$ 9,476,466</u>

(1) Denotes Major Federal Financial Assistance Program

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

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

Schedule V
(Page 2 of 2)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Zuni Public Schools (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

The District did not provide any federal awards to subrecipients during the year.

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2014 was \$58,223 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA numbers 10.553 and 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 9,476,466
Total expenditures funded by other sources	<u>10,274,896</u>
Total expenditures	<u>\$ 19,751,362</u>

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

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

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors’ report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness in internal control identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to financial statements noted? | Yes |

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditors’ report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
84.010	Title I – IASA
84.027 and 84.173	Special Education Cluster (IDEA)
84.041	Impact Aid Cluster
10.553 and 10.555	Child Nutrition Cluster
84.060	Indian Education Formula Grant

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

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

Section II – Financial Statement Findings

FS 2012-005 [2012-05] – Budgetary Controls (Significant Deficiency) Repeated and Revised

Criteria: According to 22-8-11 B. NMSA 1978:

B. No School district or state-chartered school or officer or employee of a school district or state-chartered school shall make any expenditure or incur any obligation for the expenditure of public funds unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department’s rules and procedures.

Condition: The District incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund & Function	Amount
Operational – Instruction	\$ 535,800
Title XIX Medicaid 3/21 Years – General Administration	248
Indian Ed Formula Grant - Instruction	3,079
Bond Building – Capital Outlay	566,606
Capital Improvements SB-9 – General Administration	51
Debt Service – Interest	<u>14,115</u>
Total	<u>\$ 1,414,081</u>

Cause: The deficit budget in the Operational fund is not due to a budgeting issue. The District had budgeted sufficient funds in the instruction function. However, due to reversing entries to correct an error in the previous audit regarding payroll accruals, this caused the function to be overdrawn. However, the District did not obtain a budget from the Public Education Department for the Bond Building Fund where a construction project was in progress. The District and the Budget Analyst were under a wrong assumption that funds didn’t need budgeting as they were in a trust fund at Bank of Albuquerque who does all disbursements from the fund which was established after the District sold special revenue bonds.

The remaining items were simply errors in budgeting or not identifying an overage prior to year end.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

Auditor’s Recommendation: We recommend that the District adhere to their policy of obtaining budgets and maintaining those budgets during the year as prescribed by State statutes.

Responsible Official’s View: The Director of Finance will closely monitor spending in each fund and function to verify that spending does not exceed budgetary authority.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2013-002 [FS 2013-02] – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: Per Zuni Public Schools Purchasing Procedures and the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.”

Relevant statutes include 13-1-157 and 13-1-158 NMSA 1978.

Additionally, 6.20.2.14 NMAC states:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of activity disbursements we noted several instances in which proper procedures were not followed:

- 16 out of 25 items tested contained no receiving documentation to show when or by whom goods and or services were received. The value of these items ranged from \$41.94 to \$598.71.
- 2 out of 25 items tested the revised purchase order was not signed by the approving agent. The value of these products was \$149.07 and \$266.64.
- In 3 out of 25 items tested there was no purchase order in the file. The value of these goods and services ranged from \$25.00 to \$500.00.
- 3 out of 25 items tested lacked a copy of a detailed invoice or receipt for goods purchased. The value of these goods ranged from \$41.94 to \$598.71.
- In 2 out of 25 items tested the authorized purchase order amount was less than the value of the products purchased. In one of these instances the value of the goods purchased was \$89.00 more than the purchase order amount.
- In 3 out of 25 items tested the invoice for goods and or services was received prior to the creation of a purchase order. In each of these instances the invoice was received 4-5 days prior to the creation of the purchase order.
- In 2 out of 25 items tested the vendor invoice was incomplete. In one instance the vendor’s address is missing and it did not include the quantity of t-shirts purchased. The value of goods purchased was \$150.00. In the second instance the number of coaches and students attending a camp was not listed. As the cost of the camp was determined by the number of participants, it was impossible to verify the proper amount was paid.
- In 1 out of 25 items tested the invoice did not contain the number of coaches and players attending a camp. The cost of the camp was based on the number of participants so without verification of the number of players and coaches we were unable to verify the cost of camp is accurate.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2013-002 [FS 2013-02] – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

During our review of activity receipts we noted several instances in which proper procedures were not followed:

- In 2 out of 23 items tested there was no receipt to verify the goods purchased. It appears that the school is using cash receipts from concession sales and gate funds and using these funds to purchase goods for the next event without recording and depositing the originally received funds. The amounts deposited in these cases were \$267.00 and \$656.18. It is impossible to verify if this is the full amount of funds received as proper receiving procedures were not followed.

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

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to authorization for payment. When goods and services are received by the District, someone must sign and date when the product or service was received. Additionally, concession goods should not be purchased using cash received from activity receipts. Activity receipts should be recorded and deposited within 24 hours of receipt. Any purchases for activity funds should have a valid purchase order in place prior to the purchase and the school should write a check to the individual to reimburse them for the purchase upon receipt of the goods and a detailed invoice.

Responsible Official's View: The Director of Finance will conduct training for school site bookkeepers to ensure that they are properly trained in all aspects of procurement. This training will include state procurement code training.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2013-003 [FS 2013-03] – Payroll and I-9 Documentation (Non-Compliance) Repeated and Revised

Criteria: 6.20.2.18 NMAC states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Condition: During our review of payroll we noted the following deficiencies:

- We found 16 out of 40 instances in which the I-9 was not signed or dated by the employee, did not have appropriate identification verification, or was missing entirely.

- We identified one employee who was not being paid at the rate of her signed contract. According to the employees contract she should be paid \$37,348.26, but was paid \$38,465.97 annual salary.

Cause: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

Effect: The District is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986 and Zuni Public Schools' Payroll Policy and Procedure Manual.

Auditor's Recommendation: We recommend that the District follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never postdated. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for "knowingly" continuing to employ an unauthorized worker if the individual is not in fact authorized to work. Additionally the District should review employee contract's to ensure that employees are being at their contractual rate.

Responsible Official's View: The district Human Resources will have all current employees, regardless of hire date, complete the federally required I-9 document. Additionally, the Human Resources and Finance Departments will work closely to make sure that all contracts reflect the correct beginning work day so that all employees are paid accordingly.

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

Section II – Financial Statement Findings (Continued)

FS 2013-004 [2013-04] – Cash Appropriations in Excess of Available Cash Balances (Non-Compliance) Repeated and Revised

Criteria: All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures cannot exceed the actual cash balance available at the end of the prior year.

Condition: The District re-budgeted “cash balance” in excess of available cash balances in the following funds:

	Designated Cash	Available Cash	Cash Appropriation In Excess of Cash
Teacherage	\$ 119,654	\$ 115,627	\$ (4,027)
Food Services	91,889	(10,111)	(102,000)
Total	\$ 211,543	\$ 105,516	\$ (106,027)

Food services had a loan outstanding from Operational for \$102,000 at the time and had budgeted the amount; however, the total dollars were also in the Operational budget as well, so couldn't be considered in this fund.

Effect: The District has budgeted cash balance that does not exist. If the District expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist.

Cause: Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

Auditor's Recommendation: Budget for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates. Adjustments should be made to cash balances after actual amounts are determined.

Responsible Official's View: The district will more closely monitor ending cash balances as compared to budgeted cash balances to verify that only actual cash in the bank was budgeted.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-001 Timeliness of Deposits (Non-Compliance)

Criteria: NMAC 6.20.2.14 section B states:

Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our testwork of operational receipts, we noted six out of forty samples in which a receipt was not deposited timely. Five deposits not made timely were from food services accounts, and one deposit was made from the operations account. Deposits made in the amounts of \$18.00, \$36.00, \$24.00, \$24.00, \$30.00, & \$320.60 respectively were not made within 24 hours of receipt. Additionally, one deposit was made 12 days before the receipt was written in the amount of \$2.00.

During our test work of activity receipts, we noted eight out of twenty three samples in which a receipt was not deposited timely. The time between the school receiving the funds and the deposit of those funds was anywhere from three days to nearly six weeks. This is a significant amount of time and is not in line with state guidelines. The amounts received varied from a few hundred dollars to more than \$1,200.00.

Cause: The staff of the District did not deposit the funds within 24 hours after receipt. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The District should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible. Additionally, the District can ask the State for a waiver to make deposits weekly for small amounts like those above since the bank has no branch in Zuni and must make the deposits through night drops.

Responsible Official's View: Due to the number of small deposits, the district will request a waiver from the state to make weekly deposits of small amounts since Wells Fargo has no branch bank located in Zuni.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-002 Timeliness of Deposits – Activity Funds (Non-Compliance)

Criteria: NMAC 6.20.2.14 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of activity receipts, we noted several instances in which proper procedures were not being followed:

- In 8 out of 23 items tested the monies received were not deposited within 24 hours of receipt. The value of these receipts ranged from \$267.00 to \$1,202.00. The time between when the school received the funds and they were subsequently deposited ranged from 4 days to more than 6 weeks.
- In 1 out of 23 items tested the monies received were deposited prior to a receipt being written. The receipt was written the day after the monies were deposited. The amount of this deposit was \$20.00.
- In 2 out of 23 items tested the receipt amount and the deposit amount did not agree. In the first instance the deposit amount was \$816.66 and the receipt amount was \$818.66. In the second instance the activity cash slip added to \$372.28 and deposit amount was \$362.28.

Cause: The schools did not deposit the funds within 24 hours after receipt and proper recording of monies received was not done. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The District should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible. Additionally when large amounts of cash are received good internal controls would have two people verify amounts received.

Responsible Official's View: The district will apply for a waiver to the 24 hour deposit rule for small deposits.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-003 – Payment for Goods and/or Services not Completed Within 30 Days – Activity Accounts (Non-Compliance)

Criteria: Per 13-1-158 NMSA 1978:

C. Except as provided in Subsection D of this section, upon certification by the central purchasing office or the using agency that services, construction, or items of tangible personal property have been received and accepted, payment shall be tendered to the contractor within thirty days of the date of certification. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the contractor at the rate of one and one-half percent per month. For purchases funded by state or federal grants to the local public bodies, if the local public body has not received the funds from the federal or state funding agency, payments shall be tendered to the contractor within five working days of receipt of funds from that funding agency.

Condition: During our review of 25 items in activity disbursements we identified two instances in which payment for goods received was not paid within thirty days of receipt of a verified invoice. In the first instance the verified invoice was received 5 months prior to payment being made. In the second instance the invoice was received 11/27/13 and payment was not issued until 2/17/14. The value of the items purchased was \$59.53 and \$521.57.

Cause: District personnel have not followed state guidelines or internal procedures for the payment of items. State guidelines clearly state that vendors be paid within 30 days of receipt of goods and or services.

Effect: Internal control over payment and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds and puts the District at risk of incurring greater expenses as vendors may charge late fees.

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to payment of goods, services, or construction. All District personnel need to be aware that payments for goods, services, and construction are to be paid within 30 days of receipt on a valid invoice.

Responsible Official's View: The Director of Finance will conduct training sessions with district personnel in charge of approving and processing payment to vendors to ensure that all documents are submitted, and invoices paid in a timely manner.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-004 – Improper Use of Credit Card (Non-Compliance)

Criteria: In accordance with 1.5.4.12 NMAC, State of New Mexico credit cards shall be used only for official business and only to furnish state-owned vehicles with:

- A. regular gasoline;
- B. unleaded gasoline;
- C. diesel fuel;
- D. lubrication;
- E. motor oil;
- F. car wash; and
- G. emergency purchases not exceeding \$100.00 in total.

Condition: During our testing of fuel card usage, we identified a purchase for \$167.70 which could not be identified as one of the approved purchases listed above.

Cause: On 4-11-14 the District's credit card was used for a purchase of \$167.70 which did not have supporting documentation to verify that it was a fuel purchase.

Effect: The District is in violation of state statute and is spending funds on products which cannot be verified.

Auditor's Recommendation: We recommend that the District adhere to state law regarding the purchase of fuel with gas cards. All individuals who drive District vehicles and use the gas cards should be instructed in the law as to what is and is not proper with regards to gas cards. Relevant sections may be found at 1.5.3.19, 1.5.3.20, and 1.5.4.12 NMAC.

Responsible Official's View: The Director of Finance will conduct training for all employees who are authorized to use district issued gas cards. This training will include usage and dollar limits which apply to these cards.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-005 – Statutory Preferences in Bids and RFPs (Non-Compliance)

Criteria: 1.4.1.25 NMAC 1978:

Statutory preferences to be applied in determining low bidder or low offeror. New Mexico law provides certain statutory preferences to resident businesses, resident veteran businesses, resident contractors and resident veteran contractors as well as for recycled content goods (13-1-21 and 13-1-22 NMSA 1978). These preferences must be applied in regard to invitations for bids and requests for proposals in accordance with statute in determining the lowest bidder or offeror.

Condition: During our testing of bid compliance we identified that the District did not include scoring for statutory preferences.

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

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

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

Responsible Official's View: The district will include the required statutory language in all bids and RFPs that it publishes.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-006 – Purchase Orders and Payment Authorization (Significant Deficiency)

Criteria: Per Zuni Public School District Purchasing Procedures and the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, Zuni Public School’s payment procedures require the authorization of the Director of Finance.

Condition: During our review of forty items in cash disbursements transactions we identified one transaction where the vendor name on the purchase order was manually changed and the Director of Finance had not signed the authorization to pay the vendor on that purchase order.

Cause: District personnel have not followed state guidelines or internal procedures in the purchase of items. On an athletic trip the team had a purchase order to eat at McDonalds and crossed out McDonalds and wrote in Burger King. On the same purchase order, proper authorization was not obtained from the Director of Finance to pay the invoice.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the Board at risk for fraud or misuse of public funds.

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order cannot be changed to reflect a different vendor and that authorization of the Director of Finance needs to be obtained before paying an invoice.

Responsible Official’s View: The Director of Finance will train the bookkeepers in proper procedures to be used in creation and possible revision of all purchase orders.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-007 – Lack of Supporting Documentation for Emergency Purchases (Significant Deficiency)

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “No warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction or items of tangible personal property unless the central purchasing office or the using agency certifies that the services, construction or items of tangible personal property have been received.”

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

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

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

Condition: During our review of forty items in individually significant purchases we found a purchase in which proper documentation as required in the statute listed above was not documented. The cost of this procurement was for \$13,035.31 and was for the replacement of glass which was broken due to vandalism.

Cause: District personnel have not followed statutory guidelines for the documentation of emergency purchases.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the Board at risk for fraud or misuse of public funds

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a detailed receipt or invoice must be on file to verify goods and or services received. The District may also consider the creation of a purchase order at the beginning of the year to account for unforeseeable emergency purchases in order to be in compliance with state guidelines.

Responsible Official’s View: The district procurement officer will train district personnel in proper procedures to be used and records to be maintained when making emergency purchases.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014 – 008 – Background Checks (Non-Compliance)

Criteria: According to 22-10A-5 NMSA 1978

C. Local school boards and regional education cooperatives shall develop policies and procedures to **require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.**

D. An applicant for employment who has been initially licensed within twenty-four months of applying for employment with a local school board, regional education cooperative or a charter school shall not be required to submit to another background check if the department has copies of the applicant's federal bureau of investigation records on file. An applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school shall provide two fingerprint cards or the equivalent electronic fingerprints to the local school board, regional education cooperative or charter school to obtain the applicant's federal bureau of investigation record. The applicant, contractor or contractor's employee who has been offered employment by a regional education cooperative or at a public school may be required to pay for the cost of obtaining a background check. **At the request of a local school board, regional education cooperative or charter school, the department is authorized to release copies of federal bureau of investigation records that are on file with the department and that are not more than twenty-four months old.** Convictions of felonies or misdemeanors contained in the federal bureau of investigation record shall be used in accordance with the Criminal Offender Employment Act; provided that other information contained in the federal bureau of investigation record, if supported by independent evidence, may form the basis for the employment decisions for good and just cause. Records and related information shall be privileged and shall not be disclosed to a person not directly involved in the employment decision affecting the specific applicant who has been offered employment, contractor or contractor's employee with unsupervised access to students at a public school.

Condition: During our review of personnel files three employees did not have a copy of a background check in the file. We also identified an employee whose work permit expired as of 7/8/2013. While there was a copy of the application for renewal, at the time of the audit there was no verification that the work permit had been extended.

Cause: Zuni Public Schools have not followed state guidelines in regards to documentation of background checks.

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

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

Responsible Official's View: The district will develop and implement guidelines to be used in all hiring/screening decisions. All employee work permits will be reviewed on a regular basis.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014-009 – Payment for Goods and/or Services not Completed Within 30 Days (Significant Deficiency)

Criteria: Per 13-1-158 NMSA 1978:

C. Except as provided in Subsection D of this section, upon certification by the central purchasing office or the using agency that services, construction, or items of tangible personal property have been received and accepted, payment shall be tendered to the contractor within thirty days of the date of certification. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the contractor at the rate of one and one-half percent per month. For purchases funded by state or federal grants to the local public bodies, if the local public body has not received the funds from the federal or state funding agency, payments shall be tendered to the contractor within five working days of receipt of funds from that funding agency.

Condition: During our review of 50 items in individually significant testing we noted three instances in which payments were not made within thirty days of receipt. Payments for electricity were not paid on time 3 separate times which resulted in \$428.32 in late fees being assessed to the District.

Cause: The District has indicated that the utility company regularly doesn't send invoices or loses invoices before arriving at the District, so payments get missed.

Effect: Internal control over payment and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds and puts the District at risk of incurring greater expenses as vendors may charge late fees.

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to payment of goods, services, or construction. All District personnel need to be aware that payments for goods, services, and construction are to be paid within 30 days of receipt on a valid invoice. With regards to the utility bills, knowing there are issues with receiving all billing, the accounts payable clerk should take care to insure that all bills are received in order to avoid future late charges being assessed against the District.

Responsible official's view: The district finance office will monitor more closely the receipt, or lack thereof, of bills from the vendor and when not received in a timely fashion, will call for replacement billings.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 20014-010 – Accrued Compensated Absences (Significant deficiency)

Criteria: 6.20.2.18 NMAC states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Additionally, according to Zuni Public Schools leave policy article 18, twelve month employees with less than 2 years of employment shall earn 10 days of annual leave, employees with more than 2 years but less than 5 years of employment accrue 12 days of annual leave, and employees with more than 5 years employment shall accrue 15 days per year.

Condition: During our review of accrued compensated absences we noted the following deficiencies:

- We found 3 of 11 employees who are not accruing leave at a rate which is in line with internal policy. Two of these employees have been employed less than 2 years and are accruing more than 10 days of annual leave. The third employee is not accruing enough leave. The employee has been employed more than 5 years and is accruing leave at a rate of less than 15 days per year.

Cause: Employees have not been properly categorized in the leave program which has resulted in two employees accruing more leave than they are entitled to and one employee who has not earned sufficient leave.

Effect: The District is in a violation of NMAC 6.20.2.18 and is not following internal policies in the payment of annual leave.

Auditor's Recommendation: We recommend that the District review its payment of annual leave to ensure that employees are being paid at a rate in compliance with its internal policies.

Responsible Official's View: The district will work with its accounting software company to find a way to correct the way this accrual is being made.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014 – 011 – Improper Recording of Journal Entries (Material Weakness)

Criteria: According to 6-5-2C NMSA 1978, “state agencies shall implement accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.”

Good accounting procedures require that all manual journal entries should have proper supporting documentation and be reviewed by at least two individuals who should sign and date the journal entry. This should be performed in order to detect errors and to prevent improper movement of funds. This provides an internal deterrent to errors, fraud, and misappropriation of assets.

Condition: During our review of manual journal entries, we found twelve instances where the manual journal entry had no supporting documentation to show why journal entry was created. These entries ranged from \$.05 to \$1,201,516. Additionally, in each instance tested there is not a second individual signing off on the journal entries.

Cause: The District did not previously consider the need for supporting documentation of journal entries and does not have a policy requiring two individuals to sign and date journal entries.

Effect: District personnel have not followed state guidelines or internal procedures in the recording of journal entries. Good accounting procedures require appropriate documentation to support journal entries and second party oversight.

Auditor’s Recommendation: We recommend that management record all journal entries properly and ensure that all transfers are reviewed by a second individual. While there are limited numbers of individuals who may understand the basis behind the journal entries, we believe that these items should still be reviewed by someone who may ask questions of the Finance Director or of other individuals to become comfortable with the particular changes to the general ledger.

Responsible Official’s View: Supporting documentation will be attached to all general journal entries and the district will assign a secondary signature.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

FS 2014– 012 – Improper Cash Controls (Material Weakness)

Criteria: 6.20.2.14 NMAC 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

F. The school district shall establish a cash control ledger for each fund/subfund. Inter-fund transfers of cash among separate and distinct funds are not receipts or expenditures. Permanent transfers of previously received cash require local board and SIDE approval prior to the transfer. All other types of cash transfers require only local board approval.

(1) Temporary transfers of cash are to be posted as "due from" and "due to" to indicate inter-fund receivables and payables.

(2) Posting errors are not to be erased, crossed out, or in any other manner eliminated from the ledger. A separate entry is required to incorporate necessary corrections. Cross-referencing of a correcting entry to the original error should be inserted under the "description" column of the ledger.

J. The school district shall maintain a cash control ledger for each fund/subfund where all transactions affecting cash are recorded. Cash balances reported to the department shall be the same as the district's cash control ledger and annual audit.

K. All bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent for business administration. The bank statement, deposit slips, and canceled checks shall be made available to the district's auditor during the annual audit.

Additionally, 6-5-2C NMSA 1978, "state agencies shall implement accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters."

Condition: In the past the District issued revenue bonds for construction on District teacherages. Those revenue bonds require debt reserve accounts which should be maintained in the debt service fund. Additionally, the District received funds for construction on the teacherages and these funds should be maintained in the bond building fund. The cash for the debt service reserves and construction amounts have not been maintained in the District general ledger. These amounts were added upon review and request of the auditor.

These funds are maintained in a trust situation with Bank of Albuquerque. Debt service payments are issued by the Bank of Albuquerque, and payments for construction are paid by Bank of Albuquerque on these accounts.

Cause: A PED analyst had mistakenly instructed the District against budgeting these cash balances as he believed the trust funds were not the property of the District, as the District did not appear to have control of the funds.

Effect: The District had previously underreported cash by an amount of \$1,401,285.

Auditor's Recommendation: We recommend that the District maintain all cash accounts in the general ledger as statute and good accounting practices dictate. The District should inform the budget analyst that these amounts must be included in the budget and existing cash balances.

While these accounts are maintained in a trust relationship with Bank of Albuquerque, the funds belong to the District and are actually controlled by the District. Bond covenants have required the maintenance in a trust fund; however, this does not negate the fact that the dollars relate to a revenue bond issuance of the District which is guaranteed by revenues of the District. As such, these funds should be budgeted and tracked through the normal fund process.

Responsible Official's View: The teacherage debt reserve and construction cash accounts will be reported on all financial reports.

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

Schedule VI

Section II – Financial Statement Findings (Continued)

ES 2014-013 – Recording of Warehouse Inventory (Significant Deficiency)

Criteria: 6.20.2.16 NMAC 1978, Annual Inventory:

D. The inventory process shall produce a list of the property and the date and cost of acquisition. The annual physical inventory checks against losses not previously revealed and bring to light errors in records of accountability, but more importantly, a systematic physical inventory of fixed assets provides an opportunity for surveying their physical condition, with respect to their need for repairs, maintenance or replacement.

E. The results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency. In the process of conducting their fieldwork, the state auditor or independent public accountant under a contract approved by the state auditor may test the correctness of the inventory by generally accepted auditing procedures.

Condition: The District did not complete a year end physical inventory of its warehouse valued at approximately \$125,602.00. The District did not have their fixed asset physical inventory certified by the school board.

Cause: The District was unable to find employees who were willing to take a physical inventory of the warehouse. The District was unaware that they were required to have their fixed asset inventory certified by the school board.

Effect: Inventory is subject to theft and this could also result in misstatements to inventory amounts reported on the District's financial statements.

Auditors' Recommendation: We recommend that the District ensure compliance with NMAC 6.20.2.16 by implementing internal control processes that will safeguard inventory and increase monitoring and control related to inventory.

Responsible official's view: At the end of each year, the Director of Finance will complete a warehouse inventory and will present the warehouse and fixed assets inventories to the board for their certification.

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

Schedule VI

Section III – Federal Award Findings

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

Federal Program Information:

Funding Agency: U.S. Department of Education

Title: Title I - IASA

CFDA Number: 84.010

Passthrough: New Mexico Department of Education

Award Year: 2014

Funding Agency: U.S. Department of Education

Title: Impact Aid – Special Education

CFDA Number: 84.041

Direct

Award Year: 2014

Criteria: According to OMB Circular-87:

3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared **at least semi-annually** and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- a) **More than one Federal award,**
- b) **A Federal award and a non-Federal award,**
- c) An indirect cost activity and a direct cost activity,
- d) Two or more indirect activities which are allocated using different allocation bases, or
- e) An unallowable activity and a direct or indirect cost activity.

5) Personnel activity reports or equivalent documentation must meet the following standards:

- a) They must reflect an after-the-fact distribution of the actual activity of each employee,
- b) They must account for the total activity for which each employee is compensated,
- c) **They must be prepared at least monthly and must coincide with one or more pay periods, and**
- d) They must be signed by the employee.

Condition: During our review of payroll and related documentation, we identified one employee who was paid by Impact Aid Special Education and one employee who was paid by Title I - IASA for which there was no certification to verify time and effort related to these federal programs. Both employees were full-time within their programs which would have required semi-annual certifications.

Questioned Costs: Undeterminable

Cause: District personnel were unaware that activity reports need to be completed at least semi-annually for employees who work on a Federal program. Guidelines require semi-annual certifications from employees who work entirely in one program.

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

Schedule VI

Section III – Federal Award Findings (Continued)

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

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for undocumented payroll distributions.

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

Responsible Official's View: The department directors will be trained on the reporting requirements for employees being paid from the various federal funds.

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

Schedule VI

Section III – Federal Award Findings (Continued)

FA 2014-002 – Late Data Collection Form Submission (Non-Compliance)

Federal Program Information:

Funding Agency: U.S. Department of Education, U.S. Department of Interior, and U.S. Department of Agriculture

Title: All major programs

CFDA Number: All major programs

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

Condition: While the Financial Audit was completed on a timely basis, the Data Collection Form was not submitted to the Federal Audit Clearinghouse until June 2014, which was several months passed the deadline for submittal.

Questioned Costs: Undetermined

Cause: The previous auditor was late in completing many audits and Data Collections Forms for the 2012-2013 year and was unresponsive to multiple attempts by the District to contact them.

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

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

Responsible Official's View: The district completed its responsibility to provide the auditor with all requested documentation in a timely fashion. The audit was submitted to the state on time but was returned to the auditor for additional work. This was out of the control of the district and was the responsibility of the audit firm.

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

Schedule VI

Section IV – Prior Year Audit Findings

FS 2012-003 Audit Committee – Resolved
FS 2012-005 Budgetary Controls – Repeated and Revised
FS 2013-001 Bank Reconciliation – Resolved
FS 2013-002 Cash Disbursements – Repeated and Revised
FS 2013-003 Payroll – Repeated and Revised
FS 2013-004 Cash Appropriations in Excess of Available Cash Balances – Repeated and Revised
FS 2013-005 Pledged Collateral – Resolved
FA 2013-001 Indirect Cost Allocation – Resolved

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

Auditor Prepared Financial Statements

Manning Accounting and Consulting Services, LLC prepared the GAAP-basis financial statements and footnotes of Zuni Public Schools from the original books and records provided to them by the management of the District. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements. The responsibility for the financial statements remains with the District.

Exit Conference

The contents of this report were discussed on November 13, 2014. The following individuals were in attendance.

Zuni Public Schools

Hayes A. Lewis, Superintendent
Martin Romine, Director of Finance
Virginia Chavez, Board Vice-President
Audrey Simplicio, Board Secretary
Loren Thomas, Audit Committee
Jerome Haskie, Audit Committee

Manning Accounting and Consulting Services, LLC

Byron R. Manning, CPA