

**STATE OF NEW MEXICO
PUBLIC EDUCATION
DEPARTMENT
Financial Statements for the
Year Ended June 30, 2010,
and Independent
Auditors' Report
Volume I of V**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume I



Official Roster I-1

Independent Auditors' Report I-2 – I-4

Management's Discussion and Analysis I-5 – I-26

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Assets I-28

Statement of Activities I-29 – I-30

Fund Financial Statements:

Balance Sheet - Governmental Funds I-31 – I-32

Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets I-33

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds I-34 – I-35

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances -
Governmental Funds to the Statement of Activities I-36

Statements of Revenues and Expenditures –
Budget and Actual – Major General and
Special Revenue Funds I-37 – I-45

Statement of Fiduciary Net Assets I-46

Statement of Changes in Fiduciary Net Assets I-47

Notes to the Financial Statements I-48 – I-137

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume II

Supplementary Information:

Combining Balance Sheet - Non-Major Governmental Funds.....	II-2 – II-7
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	II-8 – II-13
Special Revenue Funds – Non-Major - Statement of Revenues and Expenditures – Budget and Actual (Modified Accrual Basis).....	II-14 – II-35
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Outlay New School Development – Fund 10550	II-36
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1995 – Fund 29100.....	II-37
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1996 – Fund 38700.....	II-38
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1999 – Fund 46800.....	II-39
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54000.....	II-40
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54100.....	II-41
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54200.....	II-42
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54300.....	II-43
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Improvements – Fund 63400	II-44 – II-45
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Improvements – Fund 63500	II-46 – II-47
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Kindergarten Capital Funding – Fund 63600.....	II-48
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1994 – Fund 66100.....	II-49
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 2004 – Fund 81600.....	II-50 – II-52
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 2000 – Fund 81800.....	II-53 – II-55
Notes to Trust Funds and Agency Funds.....	II-56
Combining Statement of Net Assets – Fiduciary Funds	II-57
Combining Statement of Changes in Net Assets – Fiduciary Funds.....	II-58

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume II - continued

Supplementary Information - continued:

Statement of Net Assets – Public Education Department	II-59
Statement of Net Assets – Division of Vocational Rehabilitation – Disability Determination Services	II-60
Statement of Activities – Public Education Department	II-61
Statement of Activities – Division of Vocational Rehabilitation – Disability Determination Services	II-62
Schedule of Changes in Assets and Liabilities – Agency Fund	II-63
Supplemental Schedule of Cash and Cash Equivalents	II-64 – II-65

Single Audit:

Schedule of Expenditures of Federal Awards	II-67 – II-69
Notes to Schedule of Expenditures of Federal Awards	II-70
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.....	II-71 – II-73
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.....	II-74 – II-76
Schedule of Findings and Questioned Costs.....	II-77 – II-141
Summary Schedule of Prior Year Audit Findings	II-142 – II-144
Exit Conference.....	II-145 – II-148

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III

New Mexico State Authorized Chartered Schools Supplementary Information
Notes and Findings III-2

Combining Financial Statements:
Combining Statement of Net Assets – Charter Schools III-4 – III-7
Combining Statement of Activities – Charter Schools III-8 – III-11
Combining Balance Sheet of Governmental Funds – Charter Schools III-12 – III-15
Reconciliation of the Combining Balance Sheet of
Governmental Funds – Charter Schools to the
Combining Statement of Net Assets – Charter Schools III-16 – III-19
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances – Charter Schools III-20 – III-23
Reconciliation of the Combining Statement of Revenues,
Expenditures and Changes in Fund Balances –
Charter Schools to the Combining Statement of
Activities – Charter Schools III-24 – III-27

Charter Schools Financial Statements:

Albuquerque School of Excellence:
Statement of Net Assets III-30
Statement of Activities III-31
Balance Sheet – Governmental Funds III-32
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement Net Assets III-33
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds III-34
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities III-35
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) III-36 – III-38
Schedule of Cash and Temporary Investment Accounts III-39
Cash Reconciliation III-40

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III - continued

Charter Schools Financial Statements - continued:

The Albuquerque Sign Language Academy:

Statement of Net Assets	III-42
Statement of Activities	III-43
Balance Sheet – Governmental Funds	III-44
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets	III-45
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-46
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	III-47
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)	III-48 – III-50
Schedule of Cash and Temporary Investment Accounts	III-51
Cash Reconciliation	III-52

Alma d’Arte Charter High School:

Statement of Net Assets	III-54
Statement of Activities	III-55
Balance Sheet – Governmental Funds	III-56 – III-59
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets	III-60
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-61 – III-64
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	III-65
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)	III-66 – III-87
Statement of Fiduciary Assets and Liabilities – Agency Fund	III-88
Schedule of Cash and Temporary Investment Accounts	III-89
Cash Reconciliation	III-90
Schedule of Changes in Assets and Liabilities – Agency Funds	III-91

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume III - continued

New Mexico State-Chartered Schools Financial Statements - continued:

The ASK Academy:

Statement of Net Assets	III-93
Statement of Activities.....	III-94
Balance Sheet – Governmental Funds	III-95
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-96
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-97
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	III-98
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-99 – III-100
Statement of Fiduciary Assets and Liabilities – Agency Funds	III-101
Schedule of Cash and Temporary Investment Accounts	III-102
Cash Reconciliation.....	III-103
Schedule of Changes in Assets and Liabilities – Agency Funds.....	III-104

Cesar Chavez Community School:

Statement of Net Assets	III-106
Statement of Activities.....	III-107
Balance Sheet – Governmental Funds	III-108 – III-111
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-112
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-113 – III-116
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	III-117
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-118 – III-141
Statement of Fiduciary Assets and Liabilities – Agency Funds	III-142
Schedule of Cash and Temporary Investment Accounts	III-143
Cash Reconciliation.....	III-144
Schedule of Changes in Assets and Liabilities – Agency Funds.....	III-145

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III - continued

Cien Aguas International School:

Statement of Net Assets	III-147
Statement of Activities.....	III-148
Balance Sheet – Governmental Funds	III-149 – III-151
Reconciliation of the Balance Sheet – Governmental Funds to the Statement Net Assets.....	III-152
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-153 – III-155
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	III-156
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-157 – III-170
Schedule of Cash and Temporary Investment Accounts	III-171
Cash Reconciliation.....	III-172

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume IV

New Mexico State Authorized Chartered Schools Supplementary Information:
Notes and Findings IV-2

Charter Schools Financial Statements:

Cottonwood Classical Preparatory School:
Statement of Net Assets IV-4
Statement of Activities IV-5
Balance Sheet – Governmental Funds IV-6 – IV-8
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets IV-9
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds IV-10 – IV-12
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities IV-13
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Budgetary Basis) IV-14 – IV-27
Schedule of Cash and Temporary Investment Accounts IV-28
Cash Reconciliation IV-29

Creative Education Preparatory Institute #1:
Statement of Net Assets IV-31
Statement of Activities IV-32
Balance Sheet – Governmental Funds IV-33 – IV-34
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets IV-35
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds IV-36 – IV-37
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities IV-38
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Budgetary Basis) IV-39 – IV-49
Statement of Fiduciary Assets and Liabilities – Agency Fund IV-50
Schedule of Cash and Temporary Investment Accounts IV-51
Cash Reconciliation IV-52
Schedule of Changes in Assets and Liabilities – Agency Fund IV-53

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

Gilbert L. Sena Charter High School:

Statement of Net Assets	IV-55
Statement of Activities.....	IV-56
Balance Sheet – Governmental Funds	IV-57 – II-58
Reconciliation of the Balance Sheet - -Governmental Funds to the Statement of Net Assets.....	IV-59
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-60 – II-61
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	IV-62
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	IV-63 – IV-71
Schedule of Fiduciary Assets and Liabilities.....	IV-72
Schedule of Cash and Temporary Investment Accounts	IV-73
Cash Reconciliation.....	IV-74
Schedule of Changes in Assets and Liabilities – Agency Funds.....	IV-75

Horizon Academy West:

Statement of Net Assets	IV-77
Statement of Activities.....	IV-78
Balance Sheet – Governmental Funds	IV-79 – IV-81
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-82
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-83 – IV-85
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	IV-86
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	IV-87 – IV-105
Statement of Fiduciary Assets and Liabilities – Agency Funds.....	IV-106
Schedule of Cash and Temporary Investment Accounts	IV-107
Cash Reconciliation.....	IV-108
Combining Statement of Assets and Liabilities – Agency Funds.....	IV-109 – IV-110
Schedule of Changes in Assets and Liabilities – Agency Funds.....	IV-111 – IV-112

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

The International School at Mesa Del Sol:

Statement of Net Assets	IV-114
Statement of Activities.....	IV-115
Balance Sheet – Governmental Funds	IV-116 – IV-117
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-118
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-119 – IV-120
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	IV-121
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	IV-122 – IV-134
Schedule of Cash and Temporary Investment Accounts	IV-135
Cash Reconciliation.....	IV-136

The MASTERS Program:

Statement of Net Assets	IV-138
Statement of Activities.....	IV-139
Balance Sheet – Governmental Funds	IV-140
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-141
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-142
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	IV-143
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	IV-144 – IV-145
Schedule of Cash and Temporary Investment Accounts	IV-146
Cash Reconciliation.....	IV-147

Media Arts Collaborative Charter School:

Statement of Net Assets	IV-149
Statement of Activities.....	IV-150
Balance Sheet – Governmental Funds	IV-151 – IV-153
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-154

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

Media Arts Collaborative Charter School - continued:

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-155 – IV-157
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	IV-158
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	IV-159 – IV-173
Schedule of Cash and Temporary Investment Accounts	IV-174
Cash Reconciliation.....	IV-175

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume V

New Mexico State Authorized Chartered Schools Supplementary Information:
Notes and Findings V-2

Charter Schools Financial Statements:

The New America School:

Statement of Net Assets V-4
Statement of Activities..... V-5
Balance Sheet – Governmental Funds V-6 – V-8
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets V-9
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds V-10 – V-12
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities V-13
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Budgetary Basis) V-14 – V-27
Statement of Fiduciary Assets and Liabilities – Activity Fund V-28
Schedule of Cash and Temporary Investment Accounts V-29
Cash Reconciliation..... V-30
Schedule of Changes in Assets and Liabilities – Agency Fund V-31

New Mexico School for Architecture, Construction and Engineering:

Statement of Net Assets V-33
Statement of Activities..... V-34
Balance Sheet – Governmental Funds V-35
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets V-36
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds V-37
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities V-38
Statements of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budgetary Basis) V-39 – V-42
Schedule of Cash and Temporary Investment Accounts V-43
Cash Reconciliation..... V-44

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

New Mexico School for the Arts:

Statement of Net Assets	V-46
Statement of Activities.....	V-47
Balance Sheet – Governmental Funds	V-48
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-49
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-50
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-51
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	V-52 – V-53
Schedule of Cash and Temporary Investment Accounts	V-54
Cash Reconciliation.....	V-55

North Valley Academy:

Statement of Net Assets	V-57
Statement of Activities.....	V-58
Balance Sheet – Governmental Funds	V-59 – V-61
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-62
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-63 – V-65
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-66
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	V-67 – V-86
Statement of Fiduciary Assets and Liabilities – Activity Funds	V-87
Schedule of Cash and Temporary Investment Accounts	V-88
Cash Reconciliation.....	V-89
Schedule of Changes in Assets and Liabilities – Activity Funds	V-90

School of Dreams Academy:

Statement of Net Assets	V-92
Statement of Activities.....	V-93
Balance Sheet – Governmental Funds	V-94 – V-95
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-96

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

School of Dreams Academy - continued:

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-97 – V-98
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-99
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	V-100 – V-111
Statement of Fiduciary Assets and Liabilities – Activity Funds	V-112
Schedule of Cash and Temporary Investment Accounts	V-113
Cash Reconciliation.....	V-114
Schedule of Changes in Assets and Liabilities – Activity Funds	V-115

South Valley Preparatory School:

Statement of Net Assets	V-117
Statement of Activities.....	V-118
Balance Sheet – Governmental Funds.....	V-119
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-120
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-121
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-122
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis).....	V-123 – V-125
Schedule of Cash and Temporary Investment Accounts.....	V-126
Cash Reconciliation.....	V-127

Taos Academy:

Statement of Net Assets	V-129
Statement of Activities.....	V-130
Balance Sheet – Governmental Funds.....	V-131 – V-133
Reconciliation of the Balance Sheet – Governmental Funds to the Statements of Net Assets	V-134
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-135 – V-137
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-138

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

Taos Academy - continued:

Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis)	V-139 – V-154
Statement of Fiduciary Assets and Liabilities – Activity Funds	V-155
Schedule of Cash and Temporary Investment Accounts	V-156
Cash Reconciliation.....	V-157
Schedule of Changes in Assets and Liabilities – Activity Funds	V-158

Taos Integrated School of the Arts:

Statement of Net Assets	V-160
Statement of Activities.....	V-161
Balance Sheet – Governmental Funds	V-162
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-163
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-164
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-165
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis)	V-166 – V-168
Schedule of Cash and Temporary Investment Accounts	V-169
Cash Reconciliation.....	V-170

Tierra Adentro:

Statement of Net Assets	V-172
Statement of Activities.....	V-173
Balance Sheet – Governmental Funds	V-174
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-175
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-176
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	V-177
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis)	V-178 – V-179
Schedule of Cash and Temporary Investment Accounts	V-180
Cash Reconciliation.....	V-181

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Official Roster

Year Ended June 30, 2010

Administrative Officials

Veronica C. García, Ed.D.	Secretary of Education
Don Moya	Deputy Secretary, Finance & Operations
Austin Buff	Director, Administrative Services Division
Gilbert Perea	Assistant Secretary, Program Support & Student Transportation Division
Steve Burrell	Director, School Budget & Finance Analysis Bureau
Antonio Ortiz	Director, Capital Outlay Bureau
Ricky Bejarano, MBA, CPA	Audit and Accounting Bureau Chief
Catherine Cross Maple, Ph.D.	Deputy Secretary, Learning & Accountability
Tom Dauphinee, Ph.D.	Interim Supervisor, Accountability & Assessment
Don Duran, Ed.D.	Assistant Secretary, Charter School Division
Mary Rose C de Baca	Assistant Secretary, Educator Quality Division
Nancy Martine-Alonzo, Ph.D.	Assistant Secretary, Indian Education Division
Jim Holloway, Ed.D.	Assistant Secretary, Rural Education Division
Sheila Hyde, Ph.D.	Assistant Secretary, Quality Assurance & Systems Integration Division
Robert Piro	Assistant Secretary, Chief Information Officer
Ralph Vigil	Director, Division of Vocational Rehabilitation
Sherry Garcia	Deputy Director, Division of Vocational Rehabilitation
Jessica Lucero	Chief Financial Officer, Division of Vocational Rehabilitation

Public Education Commission

M. Andrew Garrison	Chairperson	Albuquerque	District 1
Millie Pogna	Commissioner	Albuquerque	District 2
Kathryn E. Krivitzky	Commissioner	Los Ranchos de Albuquerque	District 3
Carla Lopez	Commissioner	Santa Fe	District 4
Mavis V. Price	Commissioner	Thoreau	District 5
Catherine M. Smith	Commissioner	Mimbres	District 6
Eugene E. Gant	Secretary	Las Cruces	District 7
Vince Bergman	Commissioner	Roswell	District 8
Carolyn Shearman	Vice-Chairperson	Artesia	District 9
Jeff Carr	Commissioner	Eagle Nest	District 10

INDEPENDENT AUDITORS' REPORT

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and each major special revenue fund of the State of New Mexico Public Education Department (Department) as of and for the year ended June 30, 2010, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's non-major governmental funds, fiduciary funds and the budgetary comparisons for the major capital projects and all non-major governmental funds, the Schedules of the Multiyear Budgeted Special Capital Outlay Funds (non-GAAP Basis) and the discretely presented component unit to budgetary comparisons (non-GAAP basis) presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the Department's management. 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 and the individual fund financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.



State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

As discussed in Note 1, the financial statements of the Department are intended to present the respective financial position of the governmental activities, the aggregate discretely presented component units and each major fund and the aggregate remaining fund information of the Department at June 30, 2010, and changes in financial position of those activities and funds and the budgetary comparison for the general fund and major special revenue funds for only that portion of the funds that are attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the entire State of New Mexico as of June 30, 2010, or the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information of the Department as of June 30, 2010, and the respective changes in financial position, and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended, in conformity 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 non-major governmental fund and fiduciary fund of the Department as of June 30, 2010, and the respective changes in the financial position thereof, and the respective budgetary comparisons for the major capital projects and all non-major governmental funds for the year ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budgetary comparisons (Non-GAAP Basis) for the discretely presented component units and the Schedules of the Multiyear Budgeted Special Capital Outlay Fund (Non-GAAP Basis) for the year ended June 30, 2010 are in conformity with a comprehensive basis of accounting other than GAAP in the United States of America, as described in Note 1

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2010, on our consideration of the Department'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* and should be considered in assessing the results of our audit.

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

The Management's Discussion and Analysis on pages 5 through 26 are not a required part of the basic financial statements but are supplementary information required by accounting principals generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and on the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as supplementary information in the table of contents (Statements of Net Assets and Activities for the Public Education Department and for the Division of Vocational Rehabilitation/ Disability Determination Service; Schedule of Changes in Assets and Liabilities for the Agency Fund; Supplemental Schedule of Cash and Cash Equivalents; Stated Authorized Charter Schools Supplementary Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Meyers + Company, LLC

December 8, 2010

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis
Year Ended June 30, 2010**

The following management's discussion and analysis (MD&A) provides an overview of the State of New Mexico Public Education Department (Department) financial activities for the fiscal year ended June 30, 2010. The MD&A is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Department's financial activity, (c) identify changes in the Department's financial position, (d) identify any material deviations from the financial plan (the approved budget) and (e) identify any financial issues or concerns. Please read it in conjunction with the Department's financial statements, which begin following this analysis.

Department Highlights

The Department is made up of 2 distinct appropriated entities and 22 component units: the Public Education Department, the Division of Vocational Rehabilitation, and 22 state authorized chartered schools. The Public Education Department (PED) provides leadership at the state and department levels in meeting the needs of and requirements for education in New Mexico. This includes providing assistance and direction to local school districts, local boards of education and other educational entities.

The Division of Vocational Rehabilitation (DVR) is responsible for the administration and provision of all DVR programs and services through seven areas and thirteen satellite offices statewide.

The 22 state authorized chartered schools are to provide an alternative educational setting to parents and students in the public school system. State authorized chartered schools provide an opportunity to create new, innovative and more flexible ways of educating children.

In September 2003, New Mexico voters approved a constitutional amendment changing the nature of the Department. The 15-member State Board of Education was replaced by the elected 10-member Public Education Commission, whose authority and duties were defined by laws enacted by the New Mexico State Legislature during the 2004 Regular Session. The Superintendent of Public Instruction, appointed by the State Board of Education, was replaced by the Secretary of Public Education, a cabinet secretary appointed by the governor and confirmed by the New Mexico Senate. The State Public Education Department was replaced by the Public Education Department as a cabinet-level department of the executive branch of government.

Another constitutional amendment, also approved by the voters in September 2003, increased the distribution from the State Land Grant Permanent Fund to be used to implement and maintain educational reforms passed by the state legislature.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Using this Annual Report

The Department's Basic Financial Statements (BFS) are presented in four parts, in the following order:

1. Department-wide Financial Statements,
2. Fund Financial Statements,
3. Budgetary Comparison Statements, and
4. Notes to the Basic Financial Statements.

Department-wide Financial Statements. The department-wide financial statements include the first two financial statements: the Statement of Net Assets and the Statement of Activities. These statements report information on all of the financial activities and resources of the Department as a whole except for information applicable to fiduciary activities. Fiduciary activities represent funds held in trust for others. These funds are not included in the resources available to support the Department's governmental activities. Governmental activities are financed by general revenue appropriations and state and federal grants.

The Department-wide Statement of Net Assets reports the assets of the Department and the corresponding claims and liabilities against those assets at June 30, 2010. The difference between the value of the assets and the liabilities is reflected as the value of the net assets. Increases or decreases in net assets measure whether the financial position of the Department improved or deteriorated. Net assets legally limited to a particular use are reported as restricted. Unrestricted net assets are assets that can be used to fund operating expenses in future years. A deficit (negative) balance in unrestricted net assets would indicate that obligations incurred in the current and prior periods exceed the value of assets currently available, and that the assets of future periods will be required to meet the established obligations.

The Department-wide Statement of Activities reports the educational and education-related expenses and the cost of general government operations of the Department, with a comparison of the program revenues obtained to finance them, and the general revenues made available to fund the difference. The statement also reports the change in net assets during the 2010 fiscal year.

The Department's activities are grouped into the functional programs. The Education activities are funded from federal revenues provided primarily by the U.S. Department of Education. Health and Welfare activities are Vocational Rehabilitation programs and the Disability Determination Services program, both administered by DVR. The state authorized chartered schools activities are grouped into the functional programs and are funded from federal flow through revenues from the Department and are expensed within the categories of instructional, support, and operations.

Fund Financial Statements. The fund financial statements that follow the department-wide financial statements report on the financial position and changes in financial position of the individual funds used by the Department. Funds are separate accounting entities used in government accounting to segregate transactions according to the sources of funding and to demonstrate legal compliance with the restrictions that may be

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Using this Annual Report - continued

Fund Financial Statements - continued

imposed on those financial resources. The Department uses two types of funds to account for its financial activities: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for the finances of the governmental activities reported in the department-wide financial statements. The Department uses two types of governmental funds: a general fund to account for activities not required to be accounted for in other funds, and special revenue funds to account for collection and expenditure of earmarked and restricted fund resources (Note 1).

Fiduciary Funds

Fiduciary funds are used to account for resources the Department holds for others. The Department uses three fiduciary funds. The **agency fund** is used to accumulate driver safety fees that are to be distributed to each school for the purpose of providing defensive driving instructions. The **private-purpose trusts** are used to report arrangements under which principal of donations invested or interest earned on investments benefit specific individuals. The **Eva Lou Scholarship fund** benefits “deserving boys and girls”, and the **Tutor Scholarship** is used to account for donations to be used to fund scholarships for academically successful students who tutor at-risk high school students. The finances of these funds are reported in a separate Statement of Fiduciary Net Assets. The resources of these funds are excluded from the department-wide financial statements because they cannot be used to finance the Department’s operations.

Reconciliation of Department-wide Financial Statements to Fund Financial Statements. Differences in amounts reported in the department-wide financial statements versus the fund financial statements result from the different measurement focus and basis of accounting used. The measurement focus used for governmental funds is based on budgetary control and the flow of resources in the current year. As an example, capital purchases are treated as expenditures of the current year. Department-wide financial statements reflect such transactions as allocations over the time of use in the form of depreciation. A reconciliation of differences between department-wide and fund financial statements is provided in separate schedules that detail the differences in accounting treatment.

Budgetary Comparisons. The budgetary comparison statements furnish a budget-to-actual comparison for all governmental funds to report compliance with the approved budget. The budget amounts reported are those in the original budget and in the amended budget, which reflects all legal adjustments made to the budget since the start of the fiscal year. The budgetary actual amounts are stated on the same basis as the budget figures.

Notes to the Financial Statements. The notes to the financial statements provide detailed information to support and explain key financial information presented in the department-wide and fund financial statements.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis – continued
Year Ended June 30, 2010**

Using this Annual Report - continued

The notes provide information on the activities of the Department, on the basis of accounting used, and on accounting policies reflected in the financial statements to clarifying key financial information. They are integral to understanding the financial statements.

Supplemental and Supplementary Information. Supplemental information is provided to report the combining financial statements of non-major funds and fiduciary funds, to report the change in assets and liabilities of the agency fund, and to report the details of federal grant awards and expenditures. The information is provided in compliance with federal and state reporting requirements.

Since the Department is composed of two distinct entities and 22 state authorized chartered schools, a separate discussion and analysis section is being presented for the Public Education Department, the Division of Vocational Rehabilitation, and the 22 state authorized chartered schools following the department-wide discussion and analysis.

Financial Highlights

Public Education Department

- The Department has 11 major funds. The General fund (SHARE Fund 05700) accounts for administration of PED, not including DVR or federal administrative costs. DVR's administrative costs are reported in the Vocational Rehabilitation fund (SHARE Fund 50000) and the Disability Determination Services fund (SHARE Fund 50100). PED's federal administrative costs are reported in the Federal Department of Education Administration fund (SHARE Fund 84400). The American Recovery and Reinvestment Act fund (SHARE Fund 89000) was added in FY 09 and accounts for the recent federal aid in stimulating the U.S economy. The other funds are primarily pass-through funds and are described in more detail in the financial statements footnotes.
- The Department's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. We exclude these activities from the Department's other financial statements because the Department cannot use these assets to finance its operations. The Department is responsible for ensuring that the assets reported in these funds are used for their intended purposes.
- There is a deficit fund balance in the Federal Department of Education Administration Fund (SHARE Fund 84400) of \$4.3 million. Prior to 2004, federal administrative revenues and expenditures were recorded in the General Operating Fund, 05700. Beginning in 2004, the Department created a new fund, 84400, to separately track federal administrative funds. Federal revenues and receivables were not properly reconciled for a number of years in SHARE Fund 05700. In 2005, the Department reconciled the ending federal receivable amounts in SHARE Funds 05700 and 84400, and then transferred the remaining balances in SHARE Funds 05700 to 84400.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis – continued
Year Ended June 30, 2010**

Financial Highlights – continued

Public Education Department - continued

- In the Public School Support Flowthrough fund (SHARE Fund 85800), there was a change in fund balance of \$6,136,178 between FY 09 and FY 10.
- Bond proceeds reported in the capital project funds (SHARE Funds 63400, 63500, 81600 and 81800) increased over \$5.2 million from prior year in the aggregate. This was due to an increase in appropriation to fund public school capital projects.
- Special projects (SHARE Fund 79000) reported a decrease in fund balance of approximately \$11.7 million between FY 09 and FY 10. The Fund 79000 fund balance did not exceed appropriations.

Division of Vocational Rehabilitation

- DVR has two major funds. The Vocational Rehabilitation fund receives the majority of its funding from federal grants that require state matching funds. The Vocational Rehabilitation fund is the primary fund that accounts for all activity related to the Basic Support – Rehabilitation Services. The other fund is the Disability Determination Services fund, which receives all of its funding from a federal grant that does not require a state match.
- The Vocational Rehabilitation fund showed an excess of revenues over expenditures, resulting in an increase in fund balance of \$2,019,660 when accounted for on a GAAP basis.
- The Disability Determination Services fund showed an excess of expenditures over revenues, resulting in a decrease in fund balance of \$523,159 when accounted for on a GAAP basis.
- Both funds operated in compliance with their budgetary authority for the year, including budget reductions sustained during FY 10 due to decline in State General Fund dollars. The loss of State General Fund dollars also resulted in a loss of federal matching dollars for the Basic Support, New Mexico Cultivando Habilidades\Cultivating Abilities (NMCHCA) and In-Service Training Grant. Direct effects of loss of sole State General Fund dollars can be attributed to the Independent Living Program.
- DVR capital assets decreased by \$83,452, which was a net effect of depreciation expense of \$109,852, capital purchases of \$26,400, and fully depreciated capital deletions of \$398,779.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Highlights – continued

Division of Vocational Rehabilitation - continued

- Administration – The DVR program is a joint effort of the federal and state governments to assist people with disabilities, as a function of the Rehabilitation Act of 1973, as amended; the Technology-Related Assistance for Individuals with Disabilities Act of 1988, as amended; and the Social Security Act, as amended. The New Mexico DVR is a Division of the New Mexico Public Education Department and is responsible for a variety of services for people with disabilities. DVR has served New Mexicans with disabilities for 86 years (1923 – 2010).

Financial Analysis of the Department as a Whole

Net Assets

The Department's net assets at June 30, 2010 were \$39.3 million. Table A-1 summarizes the Department's net assets for the fiscal year ended June 30, 2010.

**Table A-1
The Department's Net Assets**

	(Dollars in Thousands)			June 30, 2009 Department
	June 30, 2010			
<u>Assets</u>	PED	DVR	Department	
Current assets	\$ 235,787	11,525	247,312	253,655
Capital assets, net	425	103	528	203
Total assets	\$ 236,212	11,628	247,840	253,858
<u>Liabilities</u>	\$ 202,456	6,020	208,476	212,748
Net Assets:				
Invested in capital assets, net of related debt	\$ 425	103	528	203
Restricted	29,165	6,131	35,296	40,589
Unrestricted	4,167	(627)	3,540	318
Total net assets	\$ 33,757	5,607	39,364	41,110

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Highlights – continued

Changes in Net Assets

Table A-2 summarizes the Department's changes in net assets for fiscal year 2010.

**Table A-2
Changes in the Department's Net Assets**

	(Dollars in Thousands)			
	PED	DVR	Department	June 30, 2009 Department
<u>Program Revenue Grants</u>	\$ 504,665	33,961	538,626	418,004
<u>General Revenues</u>				
State appropriations	2,287,926	5,888	2,293,814	2,623,097
Inter-agency transfers, net	206,983	1,539	208,522	15,438
Reversions	(29,876)	(159)	(30,035)	(51,609)
Proceeds of State General obligations and severance tax bonds	38,178	-	38,178	36,748
Total general revenues	<u>2,503,211</u>	<u>7,268</u>	<u>2,510,479</u>	<u>3,041,678</u>
<u>Expenses</u>				
Health and Welfare	-	39,776	39,776	41,530
Education	3,011,075	-	3,011,075	2,987,429
Total expenses	<u>3,011,075</u>	<u>39,776</u>	<u>3,050,851</u>	<u>3,028,959</u>
Change in net assets	(3,199)	1,453	(1,746)	12,719
Net assets				
Beginning of year	<u>36,956</u>	<u>4,154</u>	<u>41,110</u>	<u>28,391</u>
End of year	<u>\$ 33,757</u>	<u>5,607</u>	<u>39,364</u>	<u>41,110</u>

DVR's change in net assets increased \$1.4 million between years. The increase is primarily attributable to the change from the cash basis of accounting to the accrual basis of accounting as required by state law. Most of the remaining funds are included in restricted net assets at year-end because the funds are restricted for a specific purpose according to enabling legislature. Most of the Department's funding passes through to the

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Highlights – continued

Changes in Net Assets - continued

schools. Administrative costs are approximately 0.7% of the Department's total expenditures. Education continues to be a priority of the state and the Department's operations are adequately supported by state and federal resources.

Changes in Capital Assets

During fiscal year 2010, PED disposed of \$94,880 of Equipment and Furniture, which resulted in an increase of \$94,883 between FY 09 and FY10 deletions. Additionally, DVR disposed of \$398,779 of equipment, which resulted in an increase of \$493,104 between FY 09 and FY 10 deletions.

	(Dollars in Thousands)			
	June 30, 2010			June 30, 2009
	PED	DVR	Department	Department
Art acquisitions	\$ 6	-	6	6
Equipment and machinery	\$ 4,083	1,904	5,987	6,045
Accumulated depreciation	\$ (3,664)	(1,801)	(5,465)	(5,848)
Total capital assets, net	\$ 425	103	528	203

Capital Assets for the Department are presented in Note 5 to the financial statements to illustrate changes from the prior year.

Reporting the Department's Most Significant Funds

The Department's two kinds of funds are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and description of each existing fund type follow:

Governmental funds. Governmental funds are used to account for the Department's general government activities, including the collection and disbursement of specific or legally restricted monies. Governmental funds include:

- General fund – The primary operating fund of the Department accounts for all financial resources, except those required to be accounted for in other funds.
- Special revenue funds – These account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Reporting the Department's Most Significant Funds - continued

Fiduciary funds. Fiduciary funds account for assets held by the Department in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the Department.

- Private purpose trust funds – These funds are used to account for trust arrangements under which principal or interest benefit specific individuals or organizations, but not the reporting government.
- Agency funds – These are used to account for assets held on behalf of individuals, private organizations, other government and/or other funds.

Budgetary Highlights

The New Mexico State Legislature makes annual appropriations to the Department. Amendments to the appropriated budget require approval by the Budget Division of the Department of Finance and Administration, with review by the Legislative Finance Committee.

Over the course of the year, the Department adjusts its budget as authorized in the Appropriations Act. During the first five months of FY2010, a Special Session of 2009 was ordered due to the continual decline of State General Fund revenues. Recommendations through House Bill 17 were proposed to decrease expenditures during the 2010 fiscal year. House Bill 17 was amended and resulted in the issuing of the Governor's Executive Order 2009-44, which has required PED and DVR to an additional 2% cut in General Fund appropriations. For DVR, the additional 2% cut of General Fund Appropriation resulted in 11% cut of federal matching dollars.

In addition to budget cuts, Executive Order 2009-44 required all executive agencies to sustain a 5 day "non-paid" furlough across funding structures. The Executive Order greatly impacts both PED and DVR. DVR was further impacted by a loss of available matching State General Fund over the five day span of \$48,500, which results in a loss of federal revenue of \$303,000. The additional loss of State General Fund due to five furlough days has resulted in an increase of Maintenance of Effort Penalty to be assessed in FY 2011 and FY 2012.

Declining State General Fund budgeted revenues are attributed to the national recession, which has impacted New Mexico broad-based tax revenue, which has required cuts to expenditures. These budget adjustments allow the Department to utilize funds where needed. Budget adjustment requests were generally for increases in Federal Grants.

PED budgetary statements are shown both in the major fund financial statements and the required supplemental information portion of the financial statements.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis – continued
Year Ended June 30, 2010**

Budgetary Highlights - continued

PED's SHARE Fund 85800 state equalization expenditures by category on a budgetary basis are shown below:

	<u>Final Budget</u>	<u>Actual Amount</u>
Other	\$ 2,216,567,600	2,196,934,933
Other Financing Uses	1,700,000	1,700,000
Non-Budgeted	<u> -</u>	<u>13,997,341</u>
Total Education	<u>\$ 2,218,267,600</u>	<u>2,212,632,274</u>

PED's SHARE Fund 05700 General Fund expenditures by category on a budgetary basis are shown below:

	<u>Final Budget</u>	<u>Actual Amount</u>
Personal Services & Employee Benefits	\$ 14,305,084	12,986,103
Contractual Services	764,000	518,401
Other	1,451,100	1,094,970
Non-Budgeted	<u> -</u>	<u>1,738,776</u>
Total Education	<u>\$ 16,520,184</u>	<u>16,338,251</u>

PED's SHARE Fund 84400 Federal Department of Education Administration expenditures by category on a budgetary basis are shown below:

	<u>Final Budget</u>	<u>Actual Amount</u>
Personal Services & Employee Benefits	\$ 6,930,200	5,860,140
Contractual services	26,733,700	15,000,408
Other Financing Uses	<u>9,168,500</u>	<u>1,598,291</u>
Total Education	<u>\$ 42,832,400</u>	<u>22,458,839</u>

DVR budgetary statements are shown on page 40 for the Vocational Rehabilitation fund and on page 41 for the Disability Determination Services fund. The total budget for the Vocational Rehabilitation fund increased from \$34,767,872 to \$33,321,600 during the year. This net increase of \$1,446,272 incorporates the FY 10 budget cuts which reduced the state required matching for this fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Budgetary Highlights - continued

The Vocational Rehabilitation fund had no revenues in deficit of budgeted revenues and had unspent budgeted expenditures of \$2,240,511 in state fiscal year 2010. Due to decreases of available State General Fund to DVR, this has decreased the amount of availability DVR can obtain from federal matching dollars, as well as imposed a Maintenance of Effort Penalty due to unavailable levels of matching dollars from the State. DVR's total expenditures by category on a budgetary basis are shown below:

	<u>Final Budget</u>	<u>Actual Amount</u>
Personal Services & Employee Benefits	\$ 14,037,115	12,399,755
Contractual Services	859,900	408,242
Other	<u>18,424,585</u>	<u>14,229,276</u>
Total Health and Welfare	<u>\$ 33,321,600</u>	<u>27,037,273</u>

Economic and Budgetary Factors

National and State Economy. The national and state economies are experiencing increases in the rate of unemployment and the upcoming Fiscal Year 2011 is anticipated to have a greater downturn than that experienced during Fiscal Year 2010. The economic growth has slowed, and economic performance is also down when compared to prior years. The State's projected shortfall in state revenue will impact the Department and may require reductions in pass-through funding to the state's school districts and chartered schools.

The Department and other state agencies are expected to continue to cut expenditures and costs while maintaining the same level of commitment to the states education and vocational rehabilitation assistance to the states citizens.

- **Budget.** For FY 10, the Legislature appropriated approximately \$2.216 billion in public school support, a decrease of approximately \$26 million, or 0.11 percent over the FY 09 appropriation.

Future Events That Will Financially Impact the Department

PED: The New Mexico General Appropriation Act of 2010, Section 14, provides that if the general fund consensus revenue forecast projects that revenue and transfers to the State General Fund are insufficient to meet State General Fund appropriations, the Governor, with the approval of the State Board of Finance (SBF), must reduce the general fund allotments to all agencies, funds and programs in Section 4 of the General Appropriation Act of 2010. Section 4 contains appropriations for agency operations.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis – continued
Year Ended June 30, 2010**

Future Events That Will Financially Impact the Department - continued

The general fund consensus revenue forecast released on Wednesday, July 21, 2010, provided that revenues to the general fund are projected to be insufficient to meet the general fund appropriations for fiscal year 2011. As a result, the Governor, with SBF approval, reduced general fund allotments by 3.2%. Both PED and DVR's budgets were reduced by this amount. The next general fund consensus revenue forecast will be released in October 2010. It is anticipated that the revenue shortfall will continue to grow slightly.

DVR: Due to continuing decreases in revenue, declining State General Fund budgeted revenues attributed to the national recession impacting broad-based tax revenue has continued to plague approval of the State General Fund Appropriations Act. During the 2010 Legislative Session, the General Fund Appropriations Act was approved during the Special Session of 2010. The General Fund Appropriation Act, Section 14, provides the Department of Finance and Administration the authority to reduce allotments based on forecasted projections of revenues. As a result of this provision, during the first quarter of FY 2010, both PED and DVR experienced a 3.24% reduction based on revenue estimates released in August of 2010. The 3.24% reduction was posted on September 1, 2010.

The loss of the 3.24% reduction of State General Fund dollars also impacted federal matching dollars for DVR to amount to \$536,646. This impact to the loss of federal matching dollars for DVR has also resulted in a Maintenance of Effort Penalty to be assessed in federal FY 2012, and could increase based on future reductions.

As revenue estimates continue to show a decreasing trend, additional further reductions are projected to occur in January of 2011. This impact could result in the potential for additional furlough days to be instituted for the last half of FY 2011.

Component Units – New Mexico State-Chartered Schools

The component units for PED consist of the state authorized chartered schools. The state authorized chartered schools were enacted during the 47th Legislative Session in 2006 under Senate Bill 600. In FY 2008, only two schools were authorized as state chartered (Cottonwood Classical Preparatory School and Media Arts Collaborative Charter School). In FY 2009, seven additional schools were authorized as state-chartered. The seven schools include: Cien Aguas International School, Horizon Academy West, The International School at Mesa Del Sol, The New America School, North Valley Academy, School of Dreams Academy, and Taos Academy. In FY 2010, thirteen additional schools were authorized as state-chartered. The thirteen schools include: Albuquerque School of Excellence, The ASK Academy, Alma D'Arte Charter High, South Valley Preparatory School, Cesar Chavez Community School, The MASTER Program, Tierra Adentro, ACE Leadership High School, Taos Integrated School for the Arts, Albuquerque Sign Language Academy, Creative Education Preparatory Institute, Gilbert L. Sena Charter High School and NM School for the Arts. Please consider the additional schools when reviewing the financial analysis of the component units as a whole.

Component Units – New Mexico State-Chartered Schools - continued

Albuquerque School of Excellence (ASE)

• **Brief Discussion**

ASE will be a college preparatory charter school focusing on math, science and technology. Members of the ASE believe that excelling in math and science prepares youth to succeed in college, the workplace and the 21st century. The vision is to enable students to succeed in school and have options to enter math, science and engineering careers. Initially, the school will have grades K through 9. One more consequent grade will be added every year afterwards. Total number of students will steadily increase in five years to reach 917.

The Albuquerque Sign Language Academy (ASLA)

• **Brief Discussion**

ASLA is a newly approved charter school which will utilize American Sign Language (ASL) and English in order to achieve academic excellence, support family involvement and promote multicultural community integration. Because of the relatively small number of deaf and hard of hearing (dhh) children, ASLA will accommodate not only deaf and hard of hearing students, but also hearing students - including siblings of dhh, children of deaf adults (CODAs), visual learners and others who would benefit from a bilingual education but are not eligible for enrollment in existing “deaf” programs and schools. Nationally, only a few programs offer this innovative model serving a diverse population. To create an optimal learning environment that is supportive of academic, social and emotional development and to further expand the critical mass of bilingual peers, direct instruction in ASL will be provided across content areas.

Alma d’Arte Charter High School (Alma)

• **Brief Discussion**

The mission of Alma is to provide a structured, yet nurturing, environment that emphasizes creativity, collaboration and respect to ensure that every student becomes an active, empathetic, life-long learner prepared for independent and collaborative participation in all aspects of life.

The ASK Academy (ASK)

• **Brief Discussion**

ASK will emphasize Science, Technology, Engineering & Mathematics (STEM) curricula to create a new learning culture through: project based learning experiences, research programs, building relationships and a strong partnership program to engage students in the learning process and to develop opportunities to become lifelong learners. ASK will improve the retention of core New Mexico State standards by providing multiple opportunities for students to demonstrate skills and knowledge through research, STEM projects, product production and/or services.

Component Units – New Mexico State-Chartered Schools - continued

Cesar Chavez Community School (CCCS)

• **Brief Discussion**

CCCS provides flexible and personalized programs for anyone seeking a high school diploma and who would benefit from services and educational programs offered during non-traditional hours. The intent of CCCS is to provide high caliber educational services during times that are more convenient for non-traditional, working students. Students who need to improve basic skills in reading and/or math will get focused interventions in preparation for the accelerated graduation option.

Cien Aguas International School (CAIS)

• **Brief Discussion**

CAIS is a dual language school serving children from the kindergarten level through the eighth grade. The school's focus is international and environmental and its curriculum integrates students who differ in language, culture and income in order to promote high achievement for all students. Cien Aguas seeks to develop confident, curious and compassionate young people who are bilingual and bi-literate, committed to a sustainable society, and who have the academic and interpersonal skills necessary to succeed in further education.

Cottonwood Classical Preparatory School (CCPS)

• **Brief Discussion**

The mission of CCPS is to develop highly skilled learning activists who, through a broad knowledge base, can analyze, synthesize and evaluate new information. Students will receive the same or higher standard of education offered by the most academically distinguished public or private schools in New Mexico. CCPS graduates will be prepared to enter and thrive at the world's finest colleges and universities and will also become driving forces in their local, regional, national and global community. Students will be prepared for a dynamic 21st century workforce where cultural differences are studied, respected and valued.

CCPS students will demonstrate social responsibility and integrity through active community involvement and service learning opportunities. Students will be well versed in communicating through reading, speaking, writing and listening with diverse audiences.

Component Units – New Mexico State-Chartered Schools - continued

Creative Education Preparatory Institute #1 (CEPI)

• **Brief Discussion**

CEPI's mission is to engage students and their families in learning experiences directed at gaining academic and social skills necessary for personal, social and career success. Students, family and community will view this school as one founded in community and family values, offering societal and career relevant education utilizing technology, community and family resources, and innovative and creative learning. Service learning in the community linked to careers and mentorship will be a core part of the curricula. Success will be judged using a continuous improvement process within the Baldrige Framework for Education, as well as tests mandated by the New Mexico Public Education Department.

Gilbert L. Sena Charter High School (GSH)

• **Brief Discussion**

GSH's mission is to engage students and their families in an innovative and supportive environment directed at gaining academic and social skills necessary for personal, social and career success. GSH promotes honors and celebrates student success. GSH's Vision is "Opportunity to accelerate student success." GSH strives to achieve this through a hybrid curriculum which consists of computer-aided instruction and teacher facilitation and through our partnership with CNM. Dual credit classes are offered both on GSH's campus and at CNM. These classes are free of charge to students and allow them to attain both high school elective credit and college credit.

Horizon Academy West (HAW)

• **Brief Discussion**

HAW is a state-authorized chartered school that serves students from kindergarten through 6th grade. The focus is on students' academic achievement and individual development. The school is dedicated to providing students with an academic and social foundation for their continual growth as lifelong learners through a combination of rigorous instruction in the core content areas and an appreciation of our cultural diversity.

International School at Mesa Del Sol (TIS)

• **Brief Discussion**

TIS is a state-authorized chartered school whose vision it is to bring a meaningful, comprehensive contemporary education to all students, regardless of personal circumstance, to motivate them to learn and be actively engaged in our school community.

Component Units – New Mexico State-Chartered Schools - continued

The MASTERS Program (MASTER)

• **Brief Discussion**

The mission of MASTER is to support the goal of a college education as an option for every student by expecting all students to perform at rigorous academic levels when provided challenging educational activities by inspired, talented teachers. The educational philosophy and approach of MASTER will be designed with an emphasis on Mathematics, Arts, Science, Technology, Engineering, Reading and Service (MASTERS). A STEM curriculum will be offered. Teachers will be trained in the Paideia Philosophy of education, which focuses on higher-level thinking and communication.

Media Arts Collaborative Charter School (MACCS)

• **Brief Discussion**

MACCS provides a high school education through a holistic approach that blends media arts with responsibility and integrity in an inclusive and diverse academic environment.

MACCS provides an integrated, inclusive curriculum through hands-on experiential learning that satisfies New Mexico standards for graduation from secondary schools. We seek to prepare students for an education in the media arts at the university and community college level, as well as to prepare all students to understand the role of media arts in the world and how people's lives are affected by them. Our mission stems from the need to provide an education that recognizes the extensive influence the media has on our children and society.

The New America School (NAS)

• **Brief Discussion**

NAS is a state-authorized public charter high school dedicated to serving a unique population - recent immigrants and English Language learners. NAS was created to serve un-enrolled students who might lack the English skills to succeed in mainstream high schools. The program helps students thrive in high school, and positions them for post-secondary education or whatever career options they may pursue.

New Mexico School for Architecture, Construction and Engineering (NMACE)

• **Brief Discussion**

The vision of this state charter school is to create a new prototype for public high schools in New Mexico and the United States. The school will be located in the Old Town/Saw Mill/Museum District of Albuquerque in order to provide access to young people from across the city. The school, and its programs, will give cutting edge construction specific learning to students by highly skilled teachers. NMACE is created based on the premise that, given the appropriate design, the school can significantly reduce the number of low income students who currently do not graduate in Albuquerque. The school will capture their imagination and prepare them for college and work.

Component Units – New Mexico State-Chartered Schools - continued

New Mexico School for the Arts (NMSA)

• **Brief Discussion**

NMSA is dedicated to arts mastery and academic excellence, assisting passionate young artists in developing their full potential. The primary vision of NMSA is to provide students with the tools to pursue a career in the arts, either as a practicing artist or in the arts industry, and to successfully receive a high school diploma. NMSA envisions its graduates to be productive members of the artistic and creative workforce and/or to be successful college students.

The North Valley Academy (NVA)

• **Brief Discussion**

NVA is a state-authorized chartered school committed to providing all students with a rich and well-balanced education through a rigorous focus on Mathematics, Language Arts and an emphasis on Health and Wellness.

School of Dreams Academy (SODA)

• **Brief Discussion**

SODA is a New Mexico state authorized charter school located within the boundaries of Valencia County. The focus of the school is to enhance student achievement through utilization of instruction in the arts, literacy, character education and community involvement through various service learning opportunities. SODA offers a quality, research-based core academic program through the virtual learning program, Education 2020.

South Valley Preparatory School (SVP)

• **Brief Discussion**

SVP proposes to serve students in grades 6, 7 and 8 in the South Valley of Albuquerque, New Mexico. The mission of SVP is to provide a small, safe learning community so that students in the South Valley can engage in a rigorous and relevant academic curriculum. We believe it is here, within a unique family framework, where individual student's strengths can be cultivated while expanding academic horizons and fostering active citizenship.

Component Units – New Mexico State-Chartered Schools - continued

Taos Academy (TACS)

• **Brief Discussion**

TACS is a 21st century learning community that provides 5th -11th grade students an engaging and rigorous core curriculum, highly motivating elective classes, leadership and career training, and community involvement through our state-of-the-art 21st century learning environment. The school will be expanding to include the 12th grade in the 2010-2011 school years.

Taos Integrated School of the Arts (TISA)

• **Brief Discussion**

TISA, a new charter school partnering with parents and community, will provide K-8 students in the Taos Municipal School District with the opportunity to reach their maximum potential through a standards-based, multicultural, thematic and arts-integrated curriculum. TISA's design is a response to the Taos community's expressed desire for a school that brings together current national standards for education with a strong early childhood emphasis in the arts. This district mission necessitates a smaller size classroom to allow for careful fostering of communication and relating skills. Located inside the municipality, enrollment will be complete with 180 students.

Tierra Adentro (TANM)

• **Brief Discussion**

The mission of Tierra Adentro: The New Mexico School of Academics, Art and Artesanía (TANM) is to create an inclusive and thriving learning environment comprised of a demographically and culturally diverse student population with a focus on academics, art, artesanía (artisanship) and the study of the cultures that comprise our rich New Mexican heritage to ensure awareness, preservation, and progression of our cultural legacy.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Analysis of the Component Units as a Whole

Net Assets

The Component Units' net assets at June 30, 2010 were \$3.7 million. Table A-3 summarizes the Component Units' net assets for the fiscal year ended June 30, 2010.

**Table A-3
The Component Units' Net Assets**

	<u>June 30, 2010</u> Component Units	<u>June 30, 2009</u> Component Units
Assets:		
Current assets	\$ 4,846,560	4,343,156
Capital assets, net (restated)	<u>2,158,175</u>	<u>178,855</u>
Total assets \$	<u>\$ 7,004,735</u>	<u>4,522,011</u>
Current Liabilities:		
Cash overdraft	-	24,713
Accounts payable	776,539	1,212,259
Accrued payroll	1,166,225	731,574
Deferred revenue	727	-
Other current liabilities	97,991	-
Compensated absences	<u>187,154</u>	<u>229,423</u>
Total current liabilities	2,228,636	2,197,969
Non-Current Liabilities:		
Other non-current liabilities	<u>989,466</u>	-
Total non-current liabilities	989,466	-
Net Assets:		
Invested in capital assets, net of related debt (restated)	528,156	178,855
Restricted	35,295,528	2,050,077
Unrestricted	<u>3,540,100</u>	<u>95,110</u>
Total net assets	<u>3,786,633</u>	<u>2,324,042</u>
Total net assets and liabilities	<u>\$ 7,004,735</u>	<u>4,522,011</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Analysis of the Component Units as a Whole - continued

**Table A-4
Changes in the Component Units' Net Assets**

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
	Component Units	Component Units
Revenues:		
Program revenues:		
Charges for services	\$ 268,340	166,717
Operating grants & contributions	8,610,094	7,728,288
Capital grants & contributions	-	758,995
General revenues and transfers:		
State equalization guarantee	19,812,862	1,379,918
Miscellaneous	881,924	4,998,793
Gain (Loss) on disposal of capital assets	(8,454)	-
Transfers in	325,000	-
Transfers out	<u>-</u>	<u>-</u>
 Total revenues	 29,889,766	 15,032,711
 Expenses:		
Governmental	<u>29,419,907</u>	<u>12,476,224</u>
 Total expenses	 29,419,907	 12,476,224
 Changes in Net Assets	 469,859	 2,556,487
Beginning Net Assets	<u>3,330,992</u>	<u>(232,445)</u>
Restatement	(14,218)	-
Beginning Net Assets, Restated	<u>3,316,774</u>	<u>(232,445)</u>
Ending Net Assets	<u>\$ 3,786,633</u>	<u>2,324,042</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Management's Discussion and Analysis – continued
Year Ended June 30, 2010

Financial Analysis of the Component Units as a Whole - continued

**Table A-4
Changes in the Component Units' Net Assets - continued**

	<u>June 30, 2010</u> Component Units	<u>June 30, 2009</u> Component Units
Changes in Net Assets	469,859	2,556,487
Beginning Net Assets	<u>3,330,992</u>	<u>(232,445)</u>
Restatement	(14,218)	-
Beginning Net Assets, Restated	<u>3,316,774</u>	<u>(232,445)</u>
Ending Net Assets	<u>\$ 3,786,633</u>	<u>2,324,042</u>

The increase in net assets of \$1.4 million is primarily attributable to an increase of \$1.4 million in component units net assets due to an additional 13 state chartered schools. Administrative costs are approximately 15% of the component units' total expenditures.

Changes in Capital Assets

During fiscal year 2010, 12 of the 22 component units purchased capital assets, resulting in an increase of \$1.9 million, net of capital assets.

	<u>June 30, 2010</u> Component Units	<u>June 30, 2009</u> Component Units
Equipment and machinery	\$ 2,626,717	253,245
Accumulated depreciation	<u>(468,542)</u>	<u>(74,390)</u>
Total capital assets, net	<u>\$ 2,158,175</u>	<u>178,855</u>

Capital Assets for the Component Units are presented in Note 20 to the financial statements to illustrate changes from the prior year.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Management's Discussion and Analysis – continued
Year Ended June 30, 2010**

Reporting the Component Units' Most Significant Funds

The Department's two kinds of funds are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and description of each existing fund type follow:

Governmental funds. Governmental funds are used to account for the Department's general government activities, including the collection and disbursement of specific or legally restricted monies. Governmental funds include:

- General fund – The primary operating fund of the Department accounts for all financial resources, except those required to be accounted for in other funds.
- Special revenue funds – These account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Fiduciary funds. Fiduciary funds account for assets held by the Department in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the Department.

- Private purpose trust funds – These funds are used to account for trust arrangements under which principal or interest benefit specific individuals or organizations, but not the reporting government.
- Agency funds – These are used to account for assets held on behalf of individuals, private organizations, other government and/or other funds.

Requests for Information

The Public Education Department's Administrative Services Division compiled this analysis. Please refer any questions to Maria Fidalgo, MBA, Audit and Accounting Bureau Chief, at (505) 827-3856.

The mailing address is: New Mexico Public Education Department, Administrative Services Division, Education Building, 300 Don Gaspar, Room 228, Santa Fe, New Mexico 87501-2786.

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities	Component Units
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ -	2,839,556
Investment in State General Fund		
Investment Pool	70,030,425	-
Due from other governments	176,298,844	1,677,809
Due from external parties	344,842	-
Advances to local education authorities	631,894	-
Prepaid expenses	6,001	264,488
Other assets	-	<u>64,707</u>
TOTAL CURRENT ASSETS	247,312,006	4,846,560
NON-CURRENT ASSETS:		
Capital assets	5,992,890	2,626,717
Less: accumulated depreciation	<u>(5,464,734)</u>	<u>(468,542)</u>
TOTAL NON-CURRENT ASSETS	<u>528,156</u>	<u>2,158,175</u>
TOTAL ASSETS	\$ <u>247,840,162</u>	<u>7,004,735</u>
CURRENT LIABILITIES:		
Accounts payable	\$ 96,310,463	776,539
Accrued payroll and taxes	3,398,515	1,166,225
Deferred revenue	10,053,233	727
Investment in State General Fund		
Investment Pool - Overdraft	75,374,212	-
Due to other governments	21,309,104	-
Due to local education authorities	70,167	-
Other current liabilities - due within one year	62,137	97,991
Compensated absences - due within one year	<u>1,898,547</u>	<u>187,154</u>
TOTAL CURRENT LIABILITIES	208,476,378	2,228,636
NON-CURRENT LIABILITIES:		
Other non-current liabilities - due in more than one year	<u>-</u>	<u>989,466</u>
TOTAL LIABILITIES	208,476,378	3,218,102
NET ASSETS:		
Invested in capital assets	528,156	1,077,395
Restricted	35,295,528	871,630
Unrestricted	<u>3,540,100</u>	<u>1,837,608</u>
TOTAL NET ASSETS	\$ <u>39,363,784</u>	<u>3,786,633</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Activities

YEAR ENDED JUNE 30, 2010

	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES:			
Education	\$ 3,011,074,885	504,664,998	(2,506,409,887)
Health and welfare	<u>39,775,894</u>	<u>33,960,905</u>	<u>(5,814,989)</u>
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>3,050,850,779</u>	<u>538,625,903</u>	<u>(2,512,224,876)</u>
GENERAL REVENUES AND TRANSFERS:			
TRANSFERS:			
State appropriations			\$ 2,293,814,500
Bond proceeds appropriations			38,177,837
Other state funds			2,986,896
Transfers in - other			210,922,886
Transfers out - other			(5,387,852)
Transfers out - State General fund reversions-FY10			<u>(30,035,637)</u>
TOTAL GENERAL REVENUES AND TRANSFERS			<u>2,510,478,630</u>
CHANGE IN NET ASSETS			(1,746,246)
NET ASSETS, BEGINNING			<u>41,110,030</u>
NET ASSETS, ENDING			\$ <u>39,363,784</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Activities - continued

YEAR ENDED JUNE 30, 2010

	COMPONENT UNITS				Net (Expenses) Revenues and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 29,419,907	268,340	8,610,094	-	(20,541,473)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 29,419,907	268,340	8,610,094	-	(20,541,473)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					19,812,862
Miscellaneous					881,924
Gain (Loss) on disposal of capital assets					(8,454)
Transfers in					325,000
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					21,011,332
CHANGE IN NET ASSETS					469,859
NET ASSETS, BEGINNING					3,330,992
RESTATEMENTS					(14,218)
NET ASSETS, BEGINNING - RESTATED					3,316,774
NET ASSETS, ENDING					\$ 3,786,633

AS OF JUNE 30, 2010	05700	50000	50100	67200	67300
	PED General Fund	Division of Vocational Rehabilitation	Disability Determination Services	Federal School Food Services Flowthrough	Federal Dept. of Education Flowthrough
ASSETS:					
Investment in State General Fund					
Investment Pool	\$ 4,879,862	4,530,843	-	-	-
Federal grants receivable	-	3,036,208	2,950,738	12,425,727	72,274,943
Due from state general fund	-	-	-	-	-
Due from other state agencies	411,986	219,930	2,746	-	-
Due from local education authorities	-	-	-	-	-
Due from external miscellaneous parties	37,390	3,531	-	-	-
Due from other funds	-	227	-	-	93,184
Prepaid expenses	-	-	-	-	-
TOTAL ASSETS	\$ 5,329,238	7,790,739	2,953,484	12,425,727	72,368,127
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable	\$ 114,601	1,205,253	1,461,377	1,337,525	45,433,234
Accrued payroll and taxes	840,971	286,956	500,124	-	-
Investment in State General Fund					
Investment Pool - overdraft	-	-	947,375	9,895,488	24,832,529
Due to state general fund	1,920,281	159,400	-	-	-
Due to other state agencies	126,339	8,007	-	-	207,503
Due to federal government	5,101	-	-	142,720	1,320,359
Due to local education authorities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	267,213	-	-	59,916	513,739
Other liabilities	-	-	135	-	60,763
TOTAL LIABILITIES	3,274,506	1,659,616	2,909,011	11,435,649	72,368,127
FUND BALANCES:					
Reserved	-	6,131,123	-	-	-
Unreserved	2,054,732	-	44,473	990,078	-
TOTAL FUND BALANCES (DEFICIT)	2,054,732	6,131,123	44,473	990,078	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,329,238	7,790,739	2,953,484	12,425,727	72,368,127

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Balance Sheet - Governmental Funds

84400	85800	63400	81800 Special Capital Outlay General Fund	89000 PED Recovery Act Funds	89000 DVR Recovery Act Funds	Other Non-major Governmental Funds	Total Governmental Funds
Federal Dept. of Education Administration	Public School Support Flowthrough	Public School Capital Improvements					
-	14,278,543	4,075,168	10,390,864	-	-	31,875,145	70,030,425
3,654,292	-	-	-	62,642,226	317,884	3,248,228	160,550,246
-	-	-	203,505	-	-	432,386	635,891
-	5,999,382	5,203,274	51,245	-	-	3,224,144	15,112,707
-	34,427	180,359	-	-	-	417,108	631,894
7,575	-	-	-	-	-	296,346	344,842
39,249	170,603	-	-	38,954	-	600,322	942,538
5,999	-	-	-	-	-	-	6,001
<u>3,707,115</u>	<u>20,482,955</u>	<u>9,458,801</u>	<u>10,645,614</u>	<u>62,681,180</u>	<u>317,884</u>	<u>40,093,679</u>	<u>248,254,544</u>
4,546,642	257,785	2,278,385	560,599	26,447,834	124,983	12,542,244	96,310,463
1,309,243	-	-	-	-	5,911	455,310	3,398,515
2,140,586	-	-	-	36,171,343	186,990	1,199,901	75,374,212
-	13,925,846	-	-	-	-	699,437	16,704,964
20,313	222,150	217,431	-	-	-	600,076	1,401,819
23,623	9,388	-	-	-	-	1,701,130	3,202,321
-	-	-	-	38,954	-	31,213	70,167
-	-	-	9,468,906	-	-	584,327	10,053,233
-	-	-	-	23,049	-	78,621	942,538
-	1,239	-	-	-	-	-	62,137
8,040,407	14,416,408	2,495,816	10,029,505	62,681,180	317,884	17,892,259	207,520,369
-	-	6,962,985	-	-	-	22,201,420	35,295,528
(4,333,292)	6,066,547	-	616,109	-	-	-	5,438,647
(4,333,292)	6,066,547	6,962,985	616,109	-	-	22,201,420	40,734,175
<u>3,707,115</u>	<u>20,482,955</u>	<u>9,458,801</u>	<u>10,645,614</u>	<u>62,681,180</u>	<u>317,884</u>	<u>40,093,679</u>	<u>248,254,544</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Balance Sheet to the
Statement of Net Assets - Governmental Funds

AS OF JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 40,734,175

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

Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the funds. These assets consist of:

Capital assets	5,992,890
Accumulated depreciation	<u>(5,464,734)</u>
Total capital assets	528,156

Some liabilities are not due and payable in the current period and,
therefore, are not reported in the fund:

Compensated absences - due within one year	<u>(1,898,547)</u>
--------------------------------------------	--------------------

Net assets of governmental activities (Statement of Net Assets) \$ 39,363,784

YEAR ENDED JUNE 30, 2010	05700	50000	50100	67200	67300
	<u>PED General Fund</u>	<u>Division of Vocational Rehabilitation</u>	<u>Disability Determination Services</u>	<u>Federal School Food Services Flowthrough</u>	<u>Federal Dept. of Education Flowthrough</u>
REVENUES:					
Federal grants	\$ -	21,773,731	12,125,840	112,432,186	247,114,207
Other revenue	<u>2,256,453</u>	<u>16,189</u>	<u>38</u>	<u>312,562</u>	<u>40,051</u>
TOTAL REVENUES	2,256,453	21,789,920	12,125,878	112,744,748	247,154,258
EXPENDITURES:					
Current:					
Education	14,599,474	-	-	112,492,102	247,154,258
Health and welfare	-	27,037,273	12,649,344	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	14,599,474	27,037,273	12,649,344	112,492,102	247,154,258
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,343,021)	(5,247,353)	(523,466)	252,646	-
OTHER FINANCING SOURCES (USES):					
State general fund appropriations	15,979,300	5,888,100	-	-	-
Appropriations funded with State Severance Bond Proceeds	-	-	-	-	-
Other state funds	150,784	1,072,167	307	-	-
Transfers in:					
Interfund	-	-	-	-	-
Other	-	466,149	-	-	-
Transfers out:					
Reversions	(1,738,776)	(159,400)	-	-	-
Interfund	(8,189)	-	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>14,383,119</u>	<u>7,267,016</u>	<u>307</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	2,040,098	2,019,663	(523,159)	252,646	-
FUND BALANCE (DEFICIT), BEGINNING	<u>14,634</u>	<u>4,111,460</u>	<u>567,632</u>	<u>737,432</u>	<u>-</u>
FUND BALANCE (DEFICIT), ENDING	\$ <u>2,054,732</u>	<u>6,131,123</u>	<u>44,473</u>	<u>990,078</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Revenues, Expenditures and
Changes in Fund Balance - Governmental Funds

84400	85800	63400	81800 Special Capital Outlay General Fund	89000 PED Recovery Act Funds	89000 DVR Recovery Act Funds	Other Non-major Governmental Funds	Total Governmental Funds
Federal Dept. of Education Administration	Public School Support Flowthrough	Public School Capital Improvements					
22,032,982	-	-	-	107,842,434	1,213,712	8,915,548	533,450,640
<u>16,768</u>	<u>500,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,032,350</u>	<u>5,175,263</u>
22,049,750	500,852	-	-	107,842,434	1,213,712	10,947,898	538,625,903
21,962,144	2,196,934,933	16,212,307	20,522,785	283,259,443	-	96,768,704	3,009,906,150
-	-	-	-	-	1,213,712	38,878	40,939,207
<u>496,695</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>496,695</u>
22,458,839	2,196,934,933	16,212,307	20,522,785	283,259,443	1,213,712	96,807,582	3,051,342,052
(409,089)	(2,196,434,081)	(16,212,307)	(20,522,785)	(175,417,009)	-	(85,859,684)	(2,512,716,149)
-	2,215,717,600	-	-	-	-	56,229,500	2,293,814,500
-	-	18,829,056	-	-	-	19,348,781	38,177,837
-	-	-	-	-	-	1,763,638	2,986,896
-	2,550,000	-	-	-	-	57,694	2,607,694
300,000	-	588,830	31,257,566	175,417,009	-	285,638	208,315,192
-	(13,997,341)	(342,532)	(9,473,730)	-	-	(4,323,858)	(30,035,637)
-	-	-	-	-	-	(49,505)	(57,694)
<u>-</u>	<u>(1,700,000)</u>	<u>(406,058)</u>	<u>(101,100)</u>	<u>-</u>	<u>-</u>	<u>(3,123,000)</u>	<u>(5,330,158)</u>
<u>300,000</u>	<u>2,202,570,259</u>	<u>18,669,296</u>	<u>21,682,736</u>	<u>175,417,009</u>	<u>-</u>	<u>70,188,888</u>	<u>2,510,478,630</u>
(109,089)	6,136,178	2,456,989	1,159,951	-	-	(15,670,795)	(2,237,518)
<u>(4,224,203)</u>	<u>(69,631)</u>	<u>4,505,996</u>	<u>(543,842)</u>	<u>-</u>	<u>-</u>	<u>37,872,215</u>	<u>42,971,693</u>
<u>(4,333,292)</u>	<u>6,066,547</u>	<u>6,962,985</u>	<u>616,109</u>	<u>-</u>	<u>-</u>	<u>22,201,420</u>	<u>40,734,175</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (2,237,518)

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

In the Statement of Activities, certain operating expenses (compensated absences payable) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The net increase in the liabilities for the year was:

Change in compensated absences payable	165,839
----------------------------------------	---------

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	496,695	
Loss on disposal of assets/adjustments	102,253	
Depreciation expense	<u>(273,515)</u>	

Excess of capital outlay over depreciation expense	<u>325,433</u>
----------------------------------------------------	----------------

Change in net assets of governmental activities (Statement of Activities) \$ (1,746,246)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

		05700 - PED GENERAL FUND			
		Budgeted Amount		Actual Amount	Variance Positive (Negative)
		Original	Final		
REVENUES:					
Federal Funds	\$	-	-	-	-
State General Fund		15,979,300	15,979,300	15,979,300	-
Other State Funds		204,200	540,884	2,407,237	1,866,353
Internal Service Funds / Inter-Agency Transfers		-	-	-	-
Budgeted Fund Balance		-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE					
		16,183,500	16,520,184	18,386,537	1,866,353
EXPENDITURES:					
Education:					
Personal Services & Employee Benefits		14,907,500	14,305,084	12,986,103	1,318,981
Contractual Services		714,000	764,000	518,401	245,599
Other		562,000	1,451,100	1,094,970	356,130
Other Financing Uses		-	-	8,189	(8,189)
Non-Budgeted (Reversions)		-	-	1,738,776	(1,738,776)
Total education		16,183,500	16,520,184	16,346,439	173,745
Health and welfare:					
Personal Services & Employee Benefits		-	-	-	-
Contractual Services		-	-	-	-
Other		-	-	-	-
Other Financing Uses		-	-	-	-
Non-Budgeted (Reversions)		-	-	-	-
Total health and welfare		-	-	-	-
TOTAL EXPENDITURES	\$	16,183,500	16,520,184	16,346,439	173,745
NET CHANGE IN FUND BALANCE				\$ 2,040,098	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds - continued

YEAR ENDED JUNE 30, 2010

50000 - DIVISION OF VOCATIONAL REHABILITATION				
	Budgeted Amount		Actual Amount	Variance
	Original	Final		Positive (Negative)
REVENUES:				
Federal Funds	\$ 25,775,800	25,959,000	21,773,731	(4,185,269)
State General Fund	5,888,100	5,888,100	5,888,100	-
Other State funds	1,391,500	1,391,500	1,088,356	(303,144)
Internal Service Funds / Inter-Agency Transfers	-	-	466,149	466,149
Budgeted Fund Balance	-	83,000	-	(83,000)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE				
	\$ 33,055,400	33,321,600	29,216,336	(4,105,264)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	\$ -	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	13,972,800	14,037,115	12,399,755	1,637,360
Contractual Services	823,600	859,900	408,242	451,658
Other	18,259,000	18,424,585	14,229,276	4,195,309
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	159,400	(159,400)
Total health and welfare	33,055,400	33,321,600	27,196,673	6,284,327
TOTAL EXPENDITURES	\$ 33,055,400	33,321,600	27,196,673	6,284,327
NET CHANGE IN FUND BALANCE			\$ 2,019,663	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds - continued

YEAR ENDED JUNE 30, 2010

50100 - DISABILITY DETERMINATION SERVICES				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ 12,382,700	12,382,700	12,125,840	(256,860)
State General Fund	-	-	-	-
Other State funds	-	1,400,000	345	(1,399,655)
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE				
	\$ 12,382,700	13,782,700	12,126,185	(1,656,515)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	\$ -	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	6,441,400	6,441,400	5,411,828	1,029,572
Contractual Services	257,700	257,700	153,916	103,784
Other	5,683,600	7,083,600	7,083,600	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	12,382,700	13,782,700	12,649,344	1,133,356
TOTAL EXPENDITURES	\$ 12,382,700	13,782,700	12,649,344	1,133,356
NET CHANGE IN FUND BALANCE			(523,159)	
FUND BALANCE, BEGINNING			567,632	
FUND BALANCE, ENDING			\$ 44,473	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

67200 - FEDERAL SCHOOL FOOD
SERVICES FLOWTHROUGH

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ 118,873,000	118,873,000	112,432,186	(6,440,814)
State General Fund	-	-	-	-
Other State Funds	-	-	312,562	312,562
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	118,873,000	118,873,000	112,744,748	(6,128,252)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	118,873,000	118,873,000	112,492,102	6,380,898
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	118,873,000	118,873,000	112,492,102	6,380,898
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	\$ 118,873,000	118,873,000	112,492,102	6,380,898
NET CHANGE IN FUND BALANCE			\$ 252,646	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

67300 - FEDERAL DEPARTMENT OF
EDUCATION FLOWTHROUGH

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ 331,294,000	331,294,000	247,114,207	(84,179,793)
State General Fund	-	-	-	-
Other State Funds	-	-	40,051	40,051
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	331,294,000	331,294,000	247,154,258	(84,139,742)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	1,616,226	1,436,460	179,766
Other	331,294,000	329,677,774	245,717,798	83,959,976
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	331,294,000	331,294,000	247,154,258	84,139,742
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	\$ 331,294,000	331,294,000	247,154,258	84,139,742
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

84400 - FEDERAL DEPARTMENT OF
EDUCATION ADMINISTRATION

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ 42,594,400	42,594,400	22,032,982	(20,561,418)
State General Fund	-	-	-	-
Other State Funds	-	238,000	16,768	(221,232)
Internal Service Funds / Inter-Agency Transfers	-	-	300,000	300,000
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	42,594,400	42,832,400	22,349,750	(20,482,650)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	6,930,200	6,930,200	5,860,140	1,070,060
Contractual Services	26,495,700	26,733,700	15,000,408	11,733,292
Other	9,168,500	9,168,500	1,598,291	7,570,209
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	42,594,400	42,832,400	22,458,839	20,373,561
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	\$ 42,594,400	42,832,400	22,458,839	20,373,561
NET CHANGE IN FUND BALANCE			(109,089)	
FUND BALANCE, BEGINNING			(4,224,203)	
FUND BALANCE, ENDING			\$ (4,333,292) *	

* Please see Note 1 for fund deficit disclosure.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

85800 - PUBLIC SCHOOL SUPPORT FLOWTHROUGH				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	2,215,717,600	2,215,717,600	2,215,717,600	-
Other State Funds	-	-	500,852	500,852
Internal Service Funds / Inter-Agency Transfers	850,000	850,000	2,550,000	1,700,000
Budgeted Fund Balance	-	1,700,000	-	(1,700,000)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	2,216,567,600	2,218,267,600	2,218,768,452	500,852
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	2,216,567,600	2,216,567,600	2,196,934,933	19,632,667
Other Financing Uses	-	1,700,000	1,700,000	-
Non-Budgeted (Reversions)	-	-	13,997,341	(13,997,341)
Total education	2,216,567,600	2,218,267,600	2,212,632,274	5,635,326
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	\$ <u>2,216,567,600</u>	<u>2,218,267,600</u>	<u>2,212,632,274</u>	<u>5,635,326</u>
NET CHANGE IN FUND BALANCE			\$ <u>6,136,178</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds

YEAR ENDED JUNE 30, 2010

89000 - PED ARRA FUND

AMERICAN RECOVERY AND INVESTMENT ACT - EDUCATION

	<u>Budgeted Amount</u>		Actual Amount	Variance
	<u>Original</u>	<u>Final</u>		Positive
				(Negative)
REVENUES:				
Federal Funds	\$ -	98,986,317	107,842,434	8,856,117
State General Fund	-	-	-	-
Other State Funds	-	55,374,540	-	(55,374,540)
Internal Service Funds / Inter-Agency Transfers	164,700,000	164,700,000	175,417,009	10,717,009
Budgeted Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	164,700,000	319,060,857	283,259,443	(35,801,414)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	2,399,300	-	2,399,300
Contractual Services	-	4,432,000	124,760	4,307,240
Other	164,700,000	312,229,557	283,134,683	29,094,874
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total education	164,700,000	319,060,857	283,259,443	35,801,414
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total health and welfare	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>164,700,000</u>	<u>319,060,857</u>	<u>283,259,443</u>	<u>35,801,414</u>
NET CHANGE IN FUND BALANCE			\$ <u><u>-</u></u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statements of Revenues and Expenditures -
Budget and Actual - Major General
and Special Revenue Funds - continued

YEAR ENDED JUNE 30, 2010

89000 - DVR ARRA FUND

AMERICAN RECOVERY AND INVESTMENT ACT - HEALTH

	<u>Budgeted Amount</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Federal Funds	\$ -	3,806,674	1,213,712	(2,592,962)
State General Fund	-	-	-	-
Other State funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	3,806,674	1,213,712	(2,592,962)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	265,000	151,071	113,929
Contractual Services	-	49,875	-	49,875
Other	-	3,491,799	1,062,641	2,429,158
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total health and welfare	<u>-</u>	<u>3,806,674</u>	<u>1,213,712</u>	<u>2,592,962</u>
TOTAL EXPENDITURES	\$ <u>-</u>	<u>3,806,674</u>	<u>1,213,712</u>	<u>2,592,962</u>
NET CHANGE IN FUND BALANCE			\$ <u>-</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Fiduciary Net Assets

AS OF JUNE 30, 2010

	Private Purpose Trusts <u>61600 & 99300</u>	Agency Fund <u>57300</u>
ASSETS:		
Cash	\$ 43,194	(1,054,903)
Certificate of Deposit	20,000	-
Due from other state agencies	<u>6</u>	<u>-</u>
TOTAL ASSETS	\$ <u>63,200</u>	<u>(1,054,903)</u>
LIABILITIES:		
Due to external party	\$ -	<u>(1,054,903)</u>
TOTAL LIABILITIES	-	<u>(1,054,903)</u>
NET ASSETS:		
Reserved for scholarships	<u>63,200</u>	
TOTAL LIABILITIES AND NET ASSETS	\$ <u>63,200</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Changes in Fiduciary Net Assets

AS OF JUNE 30, 2010

	Private Purpose Trusts <u>61600 & 99300</u>
ASSETS:	
Investment earnings:	
Interest	\$ 619
DEDUCTIONS:	
Scholarship expense	<u>-</u>
CHANGE IN NET ASSETS	619
NET ASSETS, BEGINNING	<u>62,581</u>
NET ASSETS, ENDING	\$ <u><u>63,200</u></u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements

NATURE OF ORGANIZATION

The State of New Mexico Public Education Department (Department) is responsible for establishing and implementing standards for education and providing administrative services, including school budgeting and reporting, and for educational and vocational rehabilitation programs in the State of New Mexico. Specific programs focus on a number of services, including regulatory enforcement, information dissemination, and vocational rehabilitation for physically and mentally handicapped citizens, and adjudication of disability and supplementary security claims for the general vocational rehabilitation program.

The elected 10-member Public Education Commission (Commission) serves in an advisory capacity in accordance with laws enacted by the New Mexico State Legislature during the 2004 Regular Session. The Commission has approved state-chartered status to 22 schools as described in Note 20 and reported in Volume III - V of these financial statements.

The chief executive officer of the Department is the Secretary of Education, a cabinet secretary appointed by the governor and confirmed by the New Mexico Senate. The Department's functions are administered through the Public Education Department (PED), the Division of Vocational Rehabilitation (DVR) and its subdivision, Disability Determination Services (DDS).

The financial statements for the Department have been prepared in accordance 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 standard-setting body for governmental accounting and financial reporting. The Department has elected not to apply pronouncements of the Financial Accounting Standards Board issued subsequent to November 30, 1989. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the proprietary fund type in accordance with GASB No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

In June 1999, the GASB unanimously approved GASB No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. This statement provides for the most significant change in financial reporting in over 20 years and is scheduled for a phased implementation based on size of government. The Department has implemented the provisions of GASB No. 34. As a part of this statement, there is a reporting requirement regarding the Department's infrastructure (roads, bridges, etc.) The Department does not own any infrastructure assets and, therefore, is unaffected by this requirement.

• **New Pronouncements**

Effective for fiscal years beginning after June 15, 2010, GASB 54, *Financial Instruments Omnibus*, will provide modifications to, and additional types of, fund balance classifications. This statement will enhance the usefulness of fund balance information to provide more consistency among the classifications and will establish reporting standards for all governments that report governmental funds. Although early implementation is encouraged, the State of New Mexico has decided to implement this new pronouncement for fiscal year ending June 30, 2011. The impact on the Department's financial statements has not yet been determined.

Effective for fiscal years beginning after June 15, 2010, GASB 59, *Fund Balance Reporting and Governmental Fund Type Definitions*, will update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. This statement provides for the following amendments:

- National Council on Governmental Accounting Statement 4, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, is updated to be consistent with the amendments to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, regarding certain financial guarantees.
- Statements No. 25, *Financial Reporting for Defined Benefit Pensions Plans and Note Disclosures for Defined Contribution Plans*, and No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, are amended to remove the fair value exemption for unallocated insurance contracts. The effect of this amendment is that investments in unallocated insurance contracts should be reported as interest-earning investment contracts according to the provisions of paragraph 8 of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.
- Statement 31 is clarified to indicate that a 2a7-like pool, as described in Statement 31, is an external investment pool that operates in conformity with the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **New Pronouncements - continued**

- Statement No. 40, *Deposit and Investment Risk Disclosures*, is amended to indicate that interest rate risk information should be disclosed only for debt investment pools – such as bond mutual funds and external bond investment pools – that do not meet the requirements to be reported as a 2a7-like pool.

Statement 53 is amended to:

- Clarify that the net settlement characteristic of Statement 53 that defines a derivative instrument is not met by a contract provision for a penalty payment for nonperformance.
- Provide that financial guarantee contracts included in the scope of Statement 53 are limited to financial guarantee contracts that are considered to be investment derivative instruments entered into primarily for the purpose of obtaining income or profit.
- Clarify that certain contracts based on specific volumes of sales or service revenues are excluded from the scope of Statement 53.
- Provide that one of the “leveraged yield” criteria of Statement 53 is met if the initial rate of return on the companion instrument has the potential for at least a doubled yield.

Although early implementation is encouraged, the State of New Mexico has decided to implement this new pronouncement for fiscal year ending June 30, 2011. The impact on the Department’s financial statements has not yet been determined.

• **Reporting Entity**

GASB 14 (as amended by GASB 39), define the financial reporting entity as consisting of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Considered as discretely presented component units of the Department are:

- Albuquerque School of Excellence (ASE)
- The Albuquerque Sign Language Academy (ASLA)
- Alma de’Arte Charter High School (AACHS)
- The ASK Academy (ASK)
- Cesar Chavez Community School (CCCS)
- Cien Aguas International School (CAIS)
- Cottonwood Classical Preparatory School (CCPS)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• Reporting Entity – continued

- Creative Education Preparatory Institute #1 (CEPI1)
- Gilbert L. Sena Charter High School (GLSCHS)
- Horizon Academy West (HAW)
- The International School at Mesa del Sol (ISMDS)
- The MASTERS Program (MP)
- Media Arts Collaborative Charter School (MACCS)
- The New America School (NAS)
- New Mexico School for Architecture, Construction and Engineering (NMSACE)
- New Mexico School for the Arts (NMSA)
- North Valley Academy (NVA)
- School of Dreams Academy (SDA)
- South Valley Preparatory School (SVPS)
- Taos Academy (TA)
- Taos Integrated School of the Arts (TISA)
- Tierra Adentro (TANM)

Component Units – New Mexico State-Chartered Schools - During the fiscal year ended June 30, 2010 as noted before, state-chartered schools received state authorization and will operate discretely under the Department, similar to a school district. The New Mexico Public Education Commission authorized the state-chartered schools and will supervise the state-chartered schools. Financial statement reporting will be presented in the Department's financial statements as component units.

The Department is an agency of the State of New Mexico, which is the primary government, pursuant to the Public Schools Act Section 22-2-1 through 22-2-20. These financial statements include all funds over which the Cabinet Secretary has authority.

• Basis of Accounting

The basis of accounting for the charter schools is modified accrual. The schools have governmental funds only. In Note 21, we present the charter schools on a full accrual basis per New Mexico, 2.2.2.12C(5c) State Auditor Rule.

• Basic Financial Statements

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. The reporting model focus is on either the Department as a whole, or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental activities. The Department is a single purpose government entity and has no business-type activities. In the

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Basic Financial Statements - continued**

government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reflected on a full accrual, economic resources measurement focus, which incorporates long-term assets and receivables as well as long-term obligations.

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.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (education, labor, transportation, etc.) that are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function of an activity. The Department includes two functions (education, and health and welfare). When an expense is incurred for purposes when both restricted and unrestricted resources are available, the Department utilizes the restricted resources first.

The net cost by function is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous model did not summarize or present net cost by function or activity. Since the Department only has one program, it does not employ indirect cost allocation in the financial statements.

Provided in the additional information schedule is a breakdown of the government-wide financial statements showing the Division of Vocational Rehabilitation net assets and activities separate from the Department. These schedules are for informational purposes only and are not presented in accordance with generally accepted accounting standards. Therefore, they are not presented in the basic financial statements.

This government-wide focus is more on the sustainability of the Department as an entity and the change in aggregate financial position resulting from the activities of the current fiscal period.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds. Non-major funds (by category) are summarized into a single column.

The governmental fund statements are presented on a current financial resource measurement focus and modified accrual basis of accounting. This presentation is deemed more appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Department's actual expenses conform to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Basic Financial Statements - continued**

government-wide statements, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund-based financial statements into the government-wide presentation.

The Department's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

• **Basis of Presentation**

The financial transactions of the Department are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures or expenses, and other financing sources or uses. Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The funds of the Department are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and descriptions of each existing fund type follow:

Governmental funds are used to account for the Department's general government activities, including the collection and disbursement of specific or legally restricted monies. Governmental funds include:

General Fund – The primary operating funds of the Department accounts for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds – These account for the proceeds of specific revenue sources that are legally restricted for specified purposes.

Fiduciary funds are assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the Department. Agency and trust funds are custodial in nature and do not involve measurement of results of operations.

Private-purpose Trust Funds – These funds are used to account for trust arrangements under which principal or interest benefits specific individuals or organizations, but not the reporting government.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• Basis of Presentation - continued

Agency Funds – These are used to account for assets held on behalf of individuals, private organizations, other government and/or other funds.

The major funds presented in the financial statements include the following:

PED General Fund (05700) - The General Fund is the general operating fund of the Department. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is funded primarily from appropriations from the State of New Mexico General Fund. This is a reverting fund.

Division of Vocational Rehabilitation (50000) – This fund accounts for all operations of the DVR, except for those of Disability Determination Services. This is a non-reverting fund. This fund balance is reserved for subsequent year's expenditures and is considered major because of its importance.

Disability Determination Services (50100) – This fund accounts for the operations of the Disability Determination Services Unit. This is a non-reverting fund. This fund is considered major because of its importance to the users of the financial statements.

Federal School Food Services Flowthrough (67200) – This fund accounts for federal grant funds from the U.S. Department of Agriculture. This is a non-reverting fund.

Federal Department of Education Flowthrough (67300) – This fund accounts for most of the federal education programs from the U.S. Public Education Department. This is a non-reverting fund.

Federal Department of Education Administration (84400) – The Federal Department of Education Administration Flowthrough fund accounts for administrative expenses except those required to be accounted for in another fund. It is funded primarily from appropriations from grant funds. This is a non-reverting fund. This fund is considered major because of its importance to the users of the financial statements.

There is a deficit fund balance in the Federal Department of Education Administration Fund (84400) of \$4.2 million. Prior to 2004, federal administrative revenues and expenditures were recorded in the General Operating Fund, 05700. Beginning in 2004, the Department created a new fund, 84400, to separately track federal administrative funds. Federal revenues and receivables were not properly reconciled for a number of years in Fund 05700. In 2005, the Department reconciled the ending federal receivable amounts in Funds 05700 and 84400, and then transferred the remaining balances in 05700 to 84400. In FYE 2008, after further

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Basis of Presentation - continued**

Federal Department of Education Administration (84400) – continued:

reconciliation, the deficit fund balance was \$5.7 million; of this amount \$1,051,954 could not be identified as either write-offs or prior year receivables or prior year expenditures for which revenues had not been accrued. In FYE 09, the Department was successful in securing a special appropriation to eliminate this unidentified amount. Amounts due from the Federal Government for the remainder of the deficit have been identified as amounts for which the Department will not be reimbursed due to time limitations or excess spending in prior years leaving the remaining deficit balance of \$4.2 million.

Public School Support Flowthrough (85800) – The Public School Support Flowthrough fund is used in the accounting of distributions to school districts for the State Equalization Guarantee, Transportation and Supplemental Distributions programs. Financing is provided through State General Fund appropriations. This is a reverting fund.

Public School Capital Improvements (63400) – The Public School Capital Improvements fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, § 22-25-1 and 22-25-10). Funds remaining after the completion of capital projects are to be reverted.

Special Capital Outlay – General Fund (2000) (81800) – The fund, established in 2000, accounts for general fund appropriations for special capital outlay projects. Funds remaining after the completion of capital projects are to be reverted.

PED American Recovery and Reinvestment Act (ARRA) Fund (89000) - The American Recovery and Reinvestment Act (ARRA) Fund was established in 2009 and is funded by the Federal government. This is a non-reverting fund.

DVR American Recovery and Reinvestment Act (ARRA) Fund (89000) - The American Recovery and Reinvestment Act (ARRA) Fund was established in 2009 and is funded by the Federal government. This is a non-reverting fund.

• **Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

• **Basis of Accounting - continued**

The Government-wide Financial Statements and the Fiduciary Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis. Under the accrual method of accounting, revenues are recognized when earned and expenditures are recognized when incurred.

In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis using the economic resources measurement focus and the accrual basis of accounting, incorporating long-term assets and receivables as well as long-term debt and obligations.

• **Modified Accrual**

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Department defines the term "available" to include funds received within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Revenues from grants that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Contributions and other monies held by other state and local agencies are recorded as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received and are not susceptible to accrual.

Revenues from special appropriations (capital projects) that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Contributions and other monies held by other State and local agencies are recorded as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received if they are not susceptible to accrual.

Expenditures are recorded as liabilities when incurred. An exception to this general rule is that accumulated unpaid annual, compensatory and certain sick leave are not accrued as current liabilities but as non-current liabilities at the government-wide level only. Expenditures charged to federal programs are recorded utilizing the cost principles described by the various funding sources.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB No. 33 (as it relates to non-exchange and exchange transactions), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

• **Modified Accrual - continued**

requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Department has elected not to follow subsequent private-sector guidance.

• **Budgets and Budgetary Accounting**

Per the General Appropriation Act, Laws of 2007, Chapter 28, Section 3, item N, "For the purpose of administering the General Appropriation Act of 2007 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Each year the Legislature approves multiple year appropriations, which the State considers as continuing appropriations. The Legislature authorizes these appropriations for two to five years; however, it does not identify the authorized amount by fiscal year. Consequently, the appropriation is budgeted in its entirety the first year the Legislature authorizes it. The unexpended portion of the budget is carried forward as the next year's beginning budget balance until either the project period has expired or the appropriation has been fully expended. The budget presentations in these financial statements are consistent with this budgeting methodology.

The discretely presented component units use the Non-GAAP budgetary basis which is cash basis.

The budget-to-actual comparisons for the capital projects funds, which are based on multiple year appropriations budgets, are presented in supplemental schedules to the financial statements as Multi-Year Budgeted Schedules.

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

- No later than September 1, the Department submits to the Budget Division of DFA and the Legislative Finance Committee (LFC) an appropriations request for the fiscal year commencing the following July 1. The appropriations request includes proposed expenditures and the means of financing them.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Budgets and Budgetary Accounting – continued**

- Budget hearings are scheduled with DFA and LFC. Budget recommendations are prepared by the above agencies. The two budget recommendations are submitted for the upcoming legislative session.
- Budget hearings are scheduled before the Appropriations Committee of the New Mexico House of Representatives and Senate. The final outcome of these hearings is incorporated into the General Appropriations Act.
- The Governor of the State of New Mexico signs the General Appropriations Act into law within the legally prescribed time limit.
- Not later than May 1, the Department submits an annual operating budget request to the Budget Division of DFA, which reviews the request and subsequently approves the budget based upon the appropriation made by the Legislature. All subsequent budget transfers and increases must be authorized by the Director of the Budget Division. The budgets for the year ended June 30, 2007 have been so adjusted.
- Legal budgetary control for expenditures and encumbrances is by category of the appropriation unit.
- Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund and Special Revenue Funds.

The unexpended and unencumbered State General Fund appropriation to the Department lapses at year end and reverts to the State General Fund. The Department may also receive funding from various special appropriations.

The language of a particular special appropriation determines when it lapses and whether or not unexpended and unencumbered balances revert to the State General Fund. See Note 15 for specific funds subject to annual reversion to State General Fund. See Note 23 for budget information on Component Units.

• **Cash Deposits**

The Department is required by statute to deposit any money received into the State Treasury. Balances maintained at the end of the day are pooled and invested by the New Mexico State Treasurer in repurchase agreements. The New Mexico State Treasurer issues separate financial statements that disclose the collateral pledged to secure these deposits, categories of risk involved, and the market value of purchased investments, which may differ from the cash deposited by the Department.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Inter-fund Receivables/Payables – Short-term**

During the course of operations, numerous transactions occur among individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term inter-fund loans are classified as “inter-fund receivables/payables”.

• **Federal Grants Receivable**

Amounts listed as Federal grants receivable are reimbursements due for passthrough funds. No allowance for uncollectible amounts has been made since these are expected to be reimbursed in full.

• **Advances to Local Education Agencies**

The Department passes through federal funding to the local school districts. The Department normally pays the school on a reimbursement basis, but the Department also advances funding to schools. Schools are required to spend the advanced funds in the school year budgeted. As the schools report their expenditures on a monthly basis, the Department relieves the receivable and records federal expenditures. Unspent funds are to be returned to the Department, which in turn are returned to the federal grantor by the Department. Because the Department has the ability to reduce funding in subsequent years to compensate for unspent funds that are not returned, the advances are considered fully collectible.

• **Capital Assets**

Equipment, software and computer equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The State’s capitalization policy (i.e., the dollar value above which asset acquisitions are added to the capital accounts) is \$5,000. The Department does not capitalize any interest with regard to its capital assets.

In fiscal year 2006, the capitalization policy changed from \$1,000 to \$5,000 for capitalizing capital assets. The Department has elected to include assets that cost less than \$5,000 but equal to or more than \$1,000, and were purchased prior to July 1, 2005, on their capital asset inventory and financial statements.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Department utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Computing Equipment and Software - 3 years
Equipment - 5 to 7 years

Capital assets for the governmental funds are recorded on the government-wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- **Compensated Absences Payable**

Accrued vacation up to 240 hours is recorded in the Statement of Net Assets at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 and up to 720 hours less the amount classified as current is recorded in the Statement of Net Assets at 50% of the employee's hourly wage.

Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2010, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

- **Reservations of Fund Balances**

Reservations of fund balances on the governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated, or (2) identify the portion of the fund balance that is not appropriated for future expenditures. Specific reservations of fund balance accounts are summarized below:

Reserved for Encumbrances – This reserve represents the portion of fund balance that relates to multi-year appropriations that are reserved for subsequent period expenditures.

Substantially all governmental fund revenues are accrued.

Expenditures are recognized when the related fund liability is incurred, except for the following permitted by accounting principles generally accepted in the United States of America:

Bond proceed appropriations are recorded as expenditures are incurred and all eligibility requirements have been met. Bond proceeds are allocated to the Department by the legislature and the Department is not obligated in any manner for the related indebtedness. Bond proceeds may be subject to certain use restrictions, such as reversions, of the bond statements, appropriations or both.

Prepaid expenses are reported in the period in which the prepaid items are used, rather than in the period purchased.

- **Net Assets**

The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- Net Assets- continued

Investment in Capital Assets (net of related debt) is intended to reflect the portion of net assets which are associated with non-liquid, capital assets less outstanding capital asset related debt. The Department did not have any related debt during the year ended June 30, 2009.

Restricted Assets are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory, bond covenant or granting agency) limitations (legally restricted) on their use. The Department reported restricted net assets at June 30, 2010, all of which is restricted by enabling legislation as follows:

PED:

Special Projects	\$ 7,280,682
Public Education Support	6,962,985
Other Educational Programs	<u>14,920,738</u>
Total	29,164,405

DVR:

Special Projects	<u>6,131,123</u>
Total	\$ <u>35,295,528</u>

State-Chartered Schools:

Restricted	\$ <u>871,630</u>
Total	\$ <u>871,630</u>

Unrestricted Assets represent the excess of total assets over total liabilities and net assets – invested in capital assets at June 30, 2010.

- Inter-fund Transactions

Inter-fund activity is reported as loans, services provided reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation.

Services provided, deemed to be at market value, are treated as revenues and expenditures. Reimbursements are when a fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between funds are netted at the government-wide level.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

• **Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

• **Deferred Revenues**

Various reimbursement procedures are used for federal awards received by the Department. Consequently, timing differences between expenditures and program reimbursements can exist at any time during the fiscal year. Receivable balances at fiscal year-end represent an excess of modified accrual basis expenditures over cash reimbursements received to date. Conversely, deferred revenue balances represent an overdraw of cash (advances) in excess of modified accrual basis expenditures. Generally, receivable or deferred revenue balances caused by differences in the timing of cash reimbursements and expenditures will be reversed or returned to the grantor in the remaining grant period.

• **Severance Tax Bonds Proceeds**

While the Department receives severance tax bond proceeds appropriated to the capital projects funds for projects specified by the Legislature, it has no obligation for repayment of the bonds and reports no liability for severance tax bonds payable in its financial statements. These bonds are obligations of the State of New Mexico's Comprehensive Annual Financial Report, or CAFR, issued by the State Controller's Office. The CAFR can be obtained by contacting the State Controller at the Bataan Memorial Building, Santa Fe, NM 87501.

2. **CASH AND INVESTMENTS**

Cash balances at June 30, 2010 consisted of cash invested with the New Mexico State Treasurer, known as the State General Fund Investment Pool. In general, state statutes require that all deposits held by the New Mexico State Treasurer be collateralized at a minimum level of 50%. The New Mexico State Treasurer is in compliance with this requirement. Separate financial statements of the New Mexico State Treasurer indicate collateral, categories of risk and market value of purchased investments, which may differ from the cash deposited by the Department.

Total cash and certificate of deposit (CD), all funds	\$ <u>(6,335,496)</u>
Reconciliation to financial statements:	
Governmental funds, on deposit with NM State Treasurer	\$ (5,343,787)
Agency fund, on deposit with NM State Treasurer	(1,054,903)
Trust funds, on deposit with NM State Treasurer and CD	<u>43,194</u>
Total cash balance	\$ <u>(6,335,496)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

2. CASH AND INVESTMENTS - continued

The cash on deposit with the New Mexico State Treasurer's State General Fund Investment Pool is monitored by the office for purposes of collateralization in compliance with Section 6-10-17, NMSA 1978. The Department has been authorized by the NM State Treasurer's Office to carry a negative cash balance (cash overdraft) due to the administration of the cost reimbursement grants. Cash overdrafts listed as due to state general fund – investment pool are shown below:

Major Funds	Due to State General Fund Investment Pool
50100	\$ 947,375
67200	9,895,488
67300	24,832,529
84400	2,140,586
89000 – PED	36,171,343
89000 – DVR	186,990
Non major	<u>1,199,901</u>
	\$ <u>75,374,212</u>

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer's State General Fund Investment Pool, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2010.

The Eva Lou Kelly Scholarship trust fund has a certificate of deposit with a local bank. The certificate matures February 15, 2012. The interest rate is 3.21%, payable monthly. The certificate is fully insured by the FDIC and is in the name of the trust fund. Market value approximates cost.

Charter Bank, Santa Fe, NM:	
Certificate of deposit	\$ 20,000
FDIC insurance	<u>(20,000)</u>
Uninsured amount	\$ <u><u> </u></u>

• **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Department does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

• **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The New Mexico State Treasurer's Office General Fund Investment Pool is not rated for credit risk.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

3. DUE FROM STATE AGENCIES

Transactions that occur among state agencies under legislative mandate, exchange transactions and other situations are accounted for in the financial statements which make up the due from and due to (Note 6) other state agencies. The due from other governments as of June 30, 2010 consists of the following:

SHARE Fund No.	Agency	Other Agency Fund No.	Amount
DVR			
50000	Human Services Department	63300	\$ 131,249
50000	Workforce Solutions Department	63100	70,846
50000	TIRR Memorial Hermann Hospital	N/A	17,835
50100	Children, Youth and Families	69000	949
50100	Department of Health	66500	971
50100	Disabilities Planning Council	64700	826
85800	Department of Finance and Administration (DFA)	34100	5,999,382
63400	Department of Finance and Administration (DFA)	34100	5,203,274
81600	Department of Finance and Administration (DFA)	34100	2,274,184
05700	Department of Finance and Administration (DFA)	34100	411,986
63500	Department of Finance and Administration (DFA)	34100	344,900
51300	Human Services Department	63300	300,132
10550	New Mexico State Board of Finance	00001	286,700
81800	Department of Finance and Administration (DFA)	34100	51,245
56800	Department of Finance and Administration (DFA)	34100	17,217
79000	Department of Finance and Administration (DFA)	34100	492
00500	State Treasurer's Office	80100	320
56200	State Treasurer's Office	80100	72
33400	State Treasurer's Office	80100	62
66000	State Treasurer's Office	80100	52
63900	State Treasurer's Office	80100	<u>13</u>
	Total due from other governments		\$ <u>15,112,707</u>

Due from State Agencies – Agency Fund

SHARE Fund No.	Agency	Other Agency Fund No.	Amount
61600	State Treasurer's Office	80100	\$ <u>6</u>
			\$ <u><u>6</u></u>

Advances to local education agencies of \$631,894 consist of federal program advances passed through to the various schools and school districts.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

4. INTERFUND BALANCES

The following is an analysis of amounts shown as due from and due to other funds:

Amounts Due From Other Funds		Amounts Due To Other Funds	
SHARE Fund No.	Amount	SHARE Fund No.	Amount
50000	\$ 227	28000	\$ 227
33400	29,505	05700	237,213
63300	23,440	51300	25,449
67300	93,184	67200	59,916
67400	513,739	67300	513,739
79000	33,638	79000	29,505
84400	39,249	85600	23,440
85800	170,603	89000	23,049
89000	<u>38,954</u>		<u>-</u>
	\$ <u>942,538</u>		\$ <u>942,538</u>

The inter-fund balances are a result of reimbursements owed between the funds, and are expected to be paid within one year.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Adjustments / Deletions</u>	<u>Balance June 30, 2010</u>
PED:				
Equipment	\$ 3,769,255	470,295	(156,455)	4,083,095
Art acquisitions	<u>5,800</u>	<u>-</u>	<u>-</u>	<u>5,800</u>
Total PED	3,775,055	470,295	(156,455)	4,088,895
DVR/DDS:				
Equipment	2,276,374	26,400	(398,779)	1,903,995
Total Department:				
Equipment	6,045,629	496,695	(555,234)	5,987,090
Art acquisitions	<u>5,800</u>	<u>-</u>	<u>-</u>	<u>5,800</u>
Subtotal	6,051,429	496,695	(555,234)	5,992,890
Accumulated depreciation:				
PED - Equipment	(3,751,891)	(163,664)	252,194	(3,663,361)
DVR/DDS - Equipment	<u>(2,096,815)</u>	<u>(109,851)</u>	<u>405,293</u>	<u>(1,801,373)</u>
Subtotal	<u>(5,848,706)</u>	<u>(273,515)</u>	<u>657,487</u>	<u>(5,464,734)</u>
Total	\$ <u>202,723</u>	<u>223,180</u>	<u>102,253</u>	<u>528,156</u>

Depreciation expense was charged to functions in the Department as follows:

PED - Education	\$ (163,664)
DVR - Health and welfare	<u>(109,851)</u>
	\$ <u>(273,515)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

6. DUE TO OTHER GOVERNMENTS

Total due to other governments at June 30, 2010 is as follows:

Due to other state agencies:

SHARE Fund No.	Agency	Other Agency Fund No.	Amount
28000	Department of Finance and Administration (DFA)	34100	\$ 26
50000	Human Services Department	63000	4,913
50000	New Mexico State University	95300	3,094
05700	Education Retirement Board	35200	126,339
10550	New Mexico State Board of Finance	00001	112,954
39700	Department of Finance and Administration (DFA)	34100	600
63300	Department of Finance and Administration (DFA)	34100	200
63400	New Mexico State Board of Finance	00001	217,431
63500	New Mexico State Board of Finance	00001	132,614
66100	New Mexico State Board of Finance	00001	53,339
67300	Department of Finance and Administration (DFA)	34100	207,503
79000	Department of Finance and Administration (DFA)	34100	257,904
81600	Department of Finance and Administration (DFA)	34100	9,346
81600	New Mexico State Board of Finance	00001	33,093
84400	Department of Finance and Administration (DFA)	34100	20,313
85800	Department of Finance and Administration (DFA)	34100	<u>222,150</u>
Total Due to Other Governments			\$ <u>1,401,819</u>

7. COMPENSATED ABSENCES

A summary of changes in compensated absences is as follows:

	Balance <u>June 30, 2009</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 2010</u>	Current <u>Portion</u>
PED	\$ 1,170,536	858,600	(997,902)	1,031,234	1,031,234
DVR/DDS	<u>893,851</u>	<u>759,311</u>	<u>(785,848)</u>	<u>867,313</u>	<u>867,313</u>
Total	\$ <u>2,064,387</u>	<u>1,617,911</u>	<u>(1,783,750)</u>	<u>1,898,547</u>	<u>1,898,547</u>

PED compensated absences are typically liquidated with fund 05700 and 84400 resources. DVR/DDS compensated absences are typically liquidated with fund 50000 and 50100 resources. These compensated absences balances are paid within one year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

8. SPECIAL APPROPRIATIONS

A summary of the special appropriations, fund 79000, is as follows:

Legislation	Appropriation Period	Appropriation Amount	Expenditures to Date	Reserved Fund Balances	Remaining Balance to Expend
Laws 2007, Ch 21, 28	2007 - 2008	\$ 4,230,000	(4,059,578)	170,422	170,422
Laws of 2008, Ch 3	2008 - 2009	1,650,000	(1,616,392)	33,608	33,608
Laws of 2009, Ch 124	2009 - 2010	<u>36,197,100</u>	<u>(33,527,451)</u>	<u>764,891</u>	<u>764,891</u>
Total fund balance for other non-special projects within this fund:				<u>6,311,761</u>	<u>6,311,761</u>
Total 2010		\$ <u>42,077,100</u>	<u>(39,203,421)</u>	<u>968,921</u>	<u>968,921</u>

9. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including accounts 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 Department expects such amounts, if any, to be immaterial.

• **Litigation**

There are several pending and/or threatened lawsuits in which the Department is involved. Generally, these matters are insured by the Risk Management Division (RMD) of the New Mexico General Services Department. The Department's attorneys estimate that the potential claims against the Department not covered by insurance resulting from such litigation would not materially affect the financial statements of the Department.

• **State authorized chartered schools debt**

If state authorized chartered schools debts become in violation of debt convent terms and conditions, in addition to insufficient funds from banking institutions become the direct responsibility of the Department. The Department may become obligated to satisfy state authorized chartered schools debts only to the extent of the debt and for the purpose of guaranteeing payment of the insufficient funds within the state funds that have deficits.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

9. COMMITMENTS AND CONTINGENCIES - continued

• Lease Commitments

The Department has commitments for office space and equipment under operating lease agreements. Lease terms for office space range from one to twenty years and generally contain renewal options. Lease terms for office equipment range from one to five years. Rental expenditures for the year ended June 30, 2010, totaled \$4,483,598. Future minimum lease payments are as follows and are based on the actual lease terms and have not been discounted:

Years ending June 30,		<u>PED</u>	<u>DVR/DDS</u>	<u>Total</u>
2011	\$	604,457	2,590,925	3,195,382
2012		553,663	2,294,212	2,847,875
2013		353,885	2,242,170	2,596,055
2014		317,490	2,273,790	2,591,280
2015		317,490	2,305,277	2,622,767
2016 and thereafter		<u>1,888,967</u>	<u>6,519,346</u>	<u>8,408,313</u>
Total	\$	<u>4,035,952</u>	<u>18,225,720</u>	<u>22,261,672</u>

10. DEFERRED COMPENSATION

The State of New Mexico offers state, local government and school district employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all State of New Mexico employees and those local government and school district employees whose employers have elected participation in the plan, permits participants to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Plant assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. All amounts of compensation deferred under such plans, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are solely the property of the plan participants and their beneficiaries. The Department does not participate in the administration of these plans and it is the opinion of the Department's counsel that the Department has no liability for any losses that may arise as a result of participation in such plans. Neither the Department nor the State of New Mexico makes any contributions to the deferred compensation plan. All contributions withheld from participants by DFA have been paid to the appropriate compensation plan.

11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

• **Plan Description**

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) 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 and beneficiaries. PERA 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 PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

• **Funding Policy**

Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 15.09% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the fiscal years ending June 30, 2010, 2009 and 2008 were \$3,279,872, \$3,805,672 and \$4,352,738, respectively, which equal the amount of the required contributions for each fiscal year.

12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

• **Plan Description**

Substantially all of the Department'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 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**

Plan members are required to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The Department was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The employer contribution is increasing by .75% each year until effective July 1, 2011, when the employer contribution will be 13.9% of the gross covered salary.

12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD - continued

• **Funding Policy – continued**

The contribution requirements of plan members and the Department are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to ERB for the fiscal years ending June 30, 2010, 2009 and 2008 were \$709,411, \$793,226 and \$731,386, respectively, which equal the amount of the required contributions for each fiscal year.

13. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

• **Plan Description**

The Department 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 the 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

13. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN - continued

• **Funding Policy - continued**

The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013, the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan, the contribution rates will be:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998 are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The Department's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$356,661, \$372,558 and \$345,231, respectively, which equal the required contributions for each year.

14. RISK MANAGEMENT

The Department, as a State Agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the General Services Department of the State of New Mexico.

Annual premiums are paid by the Department to the Risk Management Division for coverage provided in the following areas:

- Liability and civil rights protection for claims made by others against the State of New Mexico;
- Coverage to protect the State of New Mexico's property and assets; and
- Fringe benefit coverage for State of New Mexico employees.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

14. RISK MANAGEMENT- continued

At June 30, 2010, the Department had no claims that Risk Management Division returned as not covered, which would become the responsibility of the Department. To obtain the separately issued financial statements, contact General Services Department, PO Box 26110, Santa Fe, New Mexico 87502-6110.

15. REVERSIONS

The following reversions are special appropriations accrued during fiscal year 2010:

Laws	Reversion
Laws of 2004	\$ 82,500
Laws of 2005	170,084
Laws of 2006	1,665,216
Laws of 2007	4,099,576
Laws of 2008	506,528
Laws of 2009	15,638,619
General Fund Executive Order 2009-044 Reversion, Laws 2010	<u>24,578,078</u>
Total	\$ <u>46,740,601</u>

In accordance with statute Section 6-5-10(A) NMSA 1978, all unreserved, undesignated fund balances in reverting funds and accounts as reflected in the central accounting system as of June 30 shall revert. The Department did not have any additional reversions for FY10. A total of \$30,035,637 was paid to the State General Fund during the year. \$16,704,964 is payable at June 30, 2010 and due by September 30, 2010; this payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS

SHARE Fund

Special Revenue

00500 Schools in Need of Improvement. This fund is used to make school improvements to school districts in need of upgrades. This fund was created by New Mexico Legislature 22-2-C NMSA 1978. Appropriations to this fund do not revert back to another fund at the end of their appropriation period.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Special Revenue - continued

- 20160 Educational Technology Deficiencies Correction. Money in the fund is appropriated for the purpose of implementing the provisions of the Technology for Education Act (NMSA 1978 § 22-15A-1). This is a state funded project (NMSA 1978 § 22-15A-8 and NMSA 1978 § 22-15A-11). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 28000 Access-to-Telework Funds (ATF). The ATF is a permanent loan guarantee fund comprised of a one-time Federal Grant that has a 10% State match. The funds are deposited in an interest-bearing account in the State Treasury depository. The purpose of the grant is to make loans available to persons with disabilities at affordable rates and/or terms to acquire devices and equipment designed to assist them with small businesses or working from remote locations. Appropriations to this fund do not revert to another fund at the end of the appropriation period. (Laws of 2008, Chapter 3, Section 4(1)).
- 33400 Family Youth. The purpose of this fund is to provide an intermediary for students and their families at public schools to access social and health care services (NMSA 1978, 22-2D-3). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 39700 Educator Certification. Educator Certification funds are collected from application fees for certification or for renewal of certification by the Public Education Department of New Mexico. Monies in the fund are for the purpose of funding the educator background check program (NMSA 1978, § 22-10-4.1). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 45800 Adult Basic Education. The Adult Basic Education fund is used to account for all financial activities of the adult basic education program. The fund was established by an act of the New Mexico State Legislature (NMSA 1978, 22-8-30.1). Appropriations to this fund do not revert to another fund at the end of the appropriation period. Amounts were transferred to New Mexico Higher Education Department.
- 47000 Charter School Stimulus. To account for state general fund appropriations to be used to stimulate charter schools (NMSA 1978, 22-8B-14). Appropriations to this fund do not revert to another fund at the end of the appropriation period.

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Special Revenue – continued

- 51300 Pre-Kindergarten. The purpose of this fund is to address the total developmental needs of preschool children, including physical, cognitive, social and emotional needs, and shall include healthcare, nutrition, safety and multicultural sensitivity (NMSA 1978, 32A-23-4). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 56200 Professional Development. The Teacher Professional Development Fund is to provide professional development programs and projects for public school teachers (NMSA 1978, 22-8-45). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 56800 Incentive for School Improvement. Incentive for School Improvement are funds from the State General Fund appropriated to the Department. The fund is used to account for financial incentives to individual schools that exceed expected academic performance (NMSA 22-2C-10). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 58600 Reading Materials Fund. This fund accounts for monies for the purchase of textbooks and reading materials as appropriated by New Mexico Legislature NMSA 22-15-8.2. Appropriations to this fund do not revert to another fund at the end of their appropriation period.
- 63300 Indian Education Act. To gain tribal involvement and to ensure the maintenance of native languages (NMSA 22-23A-8). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 63900 Kindergarten Plus. The purpose of the fund is to deposit grants and donations for the “Kindergarten Plus” pilot project. Money shall be expended in accordance with the terms of the grants and donations. Unless otherwise specified by the terms of the grant or donation, money in the fund at the end of the pilot project shall revert to the general fund. There have not been any grants and donations and in FY 07 appropriations have been returned to the Special Appropriations Fund 79000. 22-2-20 created a three-year study which was extended into a six-year study during the 2006 Legislative Session (HB 43).
- 66000 Instructional Materials Adoption. The purpose of this fund is to provide for the review and adoption of instructional materials from the collection of publishers fees (NMSA 22-15-8-1). Appropriations to this fund do not revert to another fund at the end of the appropriation period.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Special Revenue - continued

- 66200 Education Technology. Education Technology are funds from the State General Fund appropriated to the Department. The fund is used to account for all financial resources of the 1994 Education Technology program. This is a state-funded project (NMSA 1978, § 22-15A-1 to 22-15A-10). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 66900 School Library. To account for the replacement and purchase of new library materials (NMSA 22-15C-3). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 67200 Federal School Food Services Flowthrough. The Federal School Food Services Flowthrough fund is used to account for federal grants to New Mexico schools for food services. The Department, as fiscal agent for the United States Department of Agriculture, is responsible for disbursing funds for such services in accordance with individual grant requirements (Title 7, Code of Federal Regulations Parts 210 and 245). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 67300 Federal Public Education Department Flowthrough. The Federal Public Education Department Flowthrough fund is used to account for various grants from the United States Public Education Department (USDE) to New Mexico schools. The Department is responsible for the disbursement of such funds in accordance with USDE requirements (Title 34, Code of Federal Regulations). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 67400 Vocational Education Flowthrough. This fund accounts for federal grant funds for vocational education. This is a non-reverting fund. This fund is considered major because of its importance to the users of the financial statements.
- 72500 Public Building Energy Efficiency Act. Public Building Energy Efficiency Act are funds from the State General Fund appropriated from the State Equalization Guarantee Fund that are distributed by the Department to participating school districts (NMSA 1978, § 6-23 and § 22-8-25). This is a reverting fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Special Revenue - continued

- 79000 Special Projects. The Special Projects Flowthrough fund accounts for the receipts and disbursements of state special appropriations for a variety of projects, as appropriated by the State of New Mexico Legislature, and consists of reverting and non-reverting funds. The Special Projects Flowthrough fund was established by the Legislature (48th Legislature, 1st Session, Chapter 28) and amended by Senate Bill 165 of 2008.
- 85600 Instructional Materials Flowthrough. The Instructional Material Flowthrough fund accounts for monies for the purchase of textbooks and instructional materials, as appropriated by the New Mexico Legislature, and consists of monies from receipts of the Federal Mineral Lands Leasing Act. Revenues are received in this fund by the Department, as fiscal agent, and are subsequently disbursed for the benefit of the individual schools in New Mexico (NMSA 1978, § 22-15-1 to 22-15-25). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 85700 State Support Reserve. The State Support Reserve fund is used to augment the appropriations for the State Equalization Guarantee distribution in order to ensure to the extent of the amount undistributed in the fund that the maximum figures for such distribution established by law shall not be reduced. ((NMSA 1978, § 22-8-31). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 85800 Public School Support Flowthrough. The Public School Support Flowthrough fund is used in the accounting of distributions to school districts for the State Equalization Guarantee, Transportation and Supplemental Distributions programs. Financing is provided through State General Fund appropriations (NMSA 1978, § 22-8-14). This is a reverting fund.
- 88900 Transportation Emergency. This fund is used to make distributions of state funds to districts experiencing transportation emergencies (NMSA 1978, 28-8-29.6). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 99500 NM Government Education Fund. The purpose of the fund is to provide appropriations to the Department to contract for annual, week-long, high school civics courses focusing on New Mexico state government for boys and girls to be held at varying post-secondary educational institutions in New Mexico. Appropriations to this fund do not revert to another fund at the end of the appropriation period (22-8-47, NMSA 1978).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Capital Projects

- 10550 Special Capital Outlay - New School Development. This fund is used to supplement district funds needed to pay for supplies, equipment, and operating costs unique to the first year of operations of a new school. This fund was created in the state treasury 22-8-48 NMSA 1978. Appropriations to this fund do not revert back to another fund at the end of the appropriation period.
- 29100 Special Capital Outlay - General Fund (1995). The fund, established in 1995, accounts for State General Fund appropriations for special capital outlay projects (42nd Legislature, 1st Session, Chapter 222). Funds remaining after the completion of capital projects are to be reverted.
- 38700 Special Capital Outlay - General Fund (1996). The fund, established in 1996, accounts for general fund appropriations for special capital outlay projects (42nd Legislature, 1st Session, Chapter 4). Funds remaining after the completion of capital projects are to be reverted.
- 46800 Special Capital Outlay - Severance Tax Bonds (1999). The fund, established in 1999, accounts for severance tax bonds appropriated for special capital outlay projects (44th Legislature, 1st Special Session, Chapter 2). Funds remaining after the completion of capital projects are to be reverted.
- 54000 Special Capital Outlay - Severance Tax Bonds (1998). The fund, established in 1998, accounts for severance tax bonds appropriated for special capital outlay projects (44th Legislature, Chapter 222). Funds remaining after the completion of capital projects are to be reverted.
- 54100 Special Capital Outlay - Severance Tax Bonds (1998). The fund, established in 1998, accounts for severance tax bonds appropriated for special capital outlay projects (44th Legislature, Chapter 2). Funds remaining after the completion of capital projects are to be reverted.
- 54200 Special Capital Outlay - Severance Tax Bonds (1998). The fund, established in 1998, accounts for severance tax bonds appropriated for special capital outlay projects (44th Legislature, Chapter 2). Funds remaining after the completion of capital projects are to be reverted.
- 54300 Special Capital Outlay - Severance Tax Bonds (1998). The fund, established in 1998, accounts for severance tax bonds appropriated for special capital outlay projects (44th Legislature, Chapter 2). Funds remaining after the completion of capital projects are to be reverted.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL REVENUE AND CAPITAL PROJECT FUNDS - continued

SHARE Fund - continued

Capital Projects - continued

- 63400 Public School Capital Improvements. The Public School Capital Improvements fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, § 22-25-1 and 22-25-10). Funds remaining after the completion of capital projects are to be reverted.
- 63500 Public School Capital Outlay (Other). The Public School Capital Outlay fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, § 22-24-1 and 22-254-6). Funds remaining after the completion of capital projects are to be reverted.
- 63600 Kindergarten Capital Funding. The fund accounts for distributions in support of kindergarten capital projects (Laws of 2001, SB 167, Chapter 338). Funds remaining after the completion of capital projects are to be reverted.
- 66100 Special Capital Outlay – Severance Tax Bonds (1994). The fund, established in 1994, accounts for severance tax bonds appropriated for special capital outlay projects (41st Legislature, 2nd Session, Chapter 148). Funds remaining after the completion of capital projects are to be reverted.
- 81300 Special Capital Outlay – Severance Tax Bonds (2000). The fund, established in 2000, accounts for severance tax bond proceeds appropriated for special capital outlay projects (Laws of 2000, Chapter 23, Section 16). Funds remaining after the completion of capital projects are to be reverted.
- 81600 Special Capital Outlay – Severance Tax Bonds (2004). The fund, established in 2004, accounts for severance tax bond proceeds appropriated to the Public Education Department. Funds remaining after the completion of capital projects are to be reverted.
- 81800 Special Capital Outlay – General Fund (2000). The fund, established in 2000, accounts for general fund appropriations for special capital outlay projects (Laws of 2000, Chapter 23, Section 45). Funds remaining after the completion of capital projects are to be reverted.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS

The Department was a party to the following Joint Powers Agreement during the fiscal year:

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Regional Education Cooperative #9	Provide Statewide Support for Career Technical Student Organizations.	PED	\$514,912	6/30/2010

The Department was a party to the following Memoranda of Understanding during the fiscal year:

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
8 Northern Indian Pueblos, Inc.	Privacy Agreement	PED	-	6/30/2010
CYFD Juvenile Justice Education District - \$200 per student	Available eLearning Courses	PED	-	6/30/2012
Charter Schools	eLearning Courses	PED	-	6/30/2012
District Schools	eLearning Courses	PED	-	6/30/2012
HED	Shared Budget Services	PED	-	6/30/2012
Cosmic House	Distribution of Instructional Material	PED	-	6/1/2013
SMARTER Multi-state Assessment	Summative Multi-state Assessment Resources	PED	-	6/30/2017
Archway	Distribution of Instructional Material	PED	-	3/1/2013
Music Mart	Distribution of Instructional Material	PED	-	3/1/2013
Turquoise Trail Elementary	eLearning Courses	PED	-	6/30/2012
New Mexico Military Institute	eLearning Courses	PED	-	6/30/2012

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

The Department was a party to the following Inter-governmental Agreements during the fiscal year:

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Northern New Mexico College	Summer Institute	PED	\$85,000	6/30/2010
ENMU	Summer Institute	PED	\$440,000	6/30/2012
NMSU	Summer Mathematics Academies	PED	\$510,000	6/30/2010
Roswell Independent School	Singapore "Mental Math" Workshops	PED	\$60,000	6/30/2010
NM Tech Starbase	Summer Institute	PED	\$78,000	6/30/2010
NM Tech	Growing Up Thinking Scientifically Summer Institute	PED	\$120,000	6/30/2010
UNM	Add+Vantage Math Summer Institute	PED	\$60,000	6/30/2010
Albuquerque Public Schools	Summer Institute	PED	\$25,000	6/30/2010
ENMU	Three Math Institutes	PED	\$55,000	6/30/2010
UNM	Orientation to Lesson Study	PED	\$40,000	6/30/2010
South Valley Academy	4 Saturday Workshops	PED	\$70,000	6/30/2010
NMSU	Summer Institute	PED	\$300,000	6/30/2010
Socorro Consolidated	Summer Institute	PED	\$40,000	6/30/2010
ENMU	Level 2 Basic Inquiry Training	PED	\$115,000	6/30/2010
WNMU	2 Week Summer Institute	PED	\$120,000	6/30/2010
UNM	5 Day Summer Institute	PED	\$100,000	6/30/2010
UNM	NM Pre-K Observational Assessment Tools	PED	\$752,371	6/30/2010
Espanola Public Schools	3 Day Summer Institute	PED	\$180,000	6/30/2010
REC IX	One Day Session and Blackboard Training	PED	\$102,300	6/30/2010
REC IX	Professional Development Training	PED	\$494,923	6/30/2010

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
REC IX	On-site Technical Service Professional Development	PED	\$107,000	6/30/2010
REC IX	On-site Technical Service Professional Development	PED	\$86,400	6/30/2010
REC IX	On-site Technical Service Professional Development	PED	\$30,000	6/30/2010
REC IX	On-site Technical Service Professional Development	PED	\$88,605	6/30/2010
REC 4	Support and Expansion of Pre-AP and AP	PED	\$8,000	6/30/2010
REC 6	Support and Expansion of Pre-AP and AP	PED	\$6,000	6/30/2010
REC 7	Support and Expansion of Pre-AP and AP	PED	\$7,000	6/30/2010
REC 8	Support and Expansion of Pre-AP and AP	PED	\$10,000	6/30/2010
REC 9	Support and Expansion of Pre-AP and AP	PED	\$9,000	6/30/2010
REC 10	Support and Expansion of Pre-AP and AP	PED	\$7,000	6/30/2010
CYFD	Promote Youth Voice & Leadership NM Service Learning Project	PED	\$373,785	8/16/09 - 8/31/2012
Socorro Consolidated	NM GRADS	PED	\$800,000	6/30/2010
High Plains Regional Coop #3	Leadership & Technical Assistance to Assigned Districts	PED	\$86,909	6/30/2010
UNM	Truancy and Dropout Prevention	PED	\$97,000	6/30/2010
Regents of UNM	Parking Services	PED	\$6,906	6/30/2010
Pueblo of San Felipe	San Felipe Keres Language Program	PED	\$60,000	6/30/2010
Pueblo of Tesuque	Grow Up Right After School Program	PED	\$60,000	6/30/2010
Navajo Nation	Implement Dine (Navajo) Language Assessment Training	PED	\$60,000	6/30/2010
Pueblo of Santa Ana	Santa Ana Keres Language Program	PED	\$60,000	6/30/2010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Pueblo of Jemez	Towa Language Coordinator	PED	\$60,000	6/30/2010
NMHU	Increase Participation in AP Exams	PED	\$98,800	6/30/2010
UNM Athletics	Basketball Tournaments	PED	\$100,000	6/30/2010
Pueblo of Zia	Implement Planning Committee for Defining Zia Education	PED	\$40,000	6/30/2010
REC 10	Fiscal Agent	PED	\$251,000	6/30/2010
REC 2	Aid Student Participation Innovative Digital Education	PED	\$24,000	6/30/2010
REC 3	Aid Student Participation Innovative Digital Education	PED	\$6,000	6/30/2010
REC 4	Aid Student Participation Innovative Digital Education	PED	\$10,000	6/30/2010
REC 5	Aid Student Participation Innovative Digital Education	PED	\$4,000	6/30/2010
REC 6	Aid Student Participation Innovative Digital Education	PED	\$3,000	6/30/2010
REC 7	Aid Student Participation Innovative Digital Education	PED	\$5,000	6/30/2010
REC 8	Aid Student Participation Innovative Digital Education	PED	\$20,000	6/30/2010
REC 9	Aid Student Participation Innovative Digital Education	PED	\$3,000	6/30/2010
REC 10	Aid Student Participation Innovative Digital Education	PED	\$3,000	6/30/2010
REC 9	Provide Agreements to Provide EPSS Reviews Online	PED	\$224,400	6/30/2010
REC 2	Office Space	PED	\$1,600	6/30/2010
Pueblo of Nambe	Implement Planning Project for Nambe Education	PED	\$40,000	6/30/2010
Santo Domingo Tribe	Implement Kewa Keras Lanuage	PED	\$40,000	6/30/2010
Pueblo of Santa Clara	Implement Santa Clara Kewa Language	PED	\$60,000	6/30/2010

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Pueblo of Acoma	Early Childhood Acoma Keres Language	PED	\$40,000	6/30/2010
Pueblo of Cochiti	Implement Cochiti Keres Language	PED	\$60,000	6/30/2010
Pueblo of San Ildefonso	Implement Planning Project	PED	\$40,000	6/30/2010
Pueblo of Taos	Implement Taos Tiwa Language	PED	\$60,000	6/30/2010
Cottonwood Classical	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
North Valley Academy	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
Cien Aguas Intl. School	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
Intl. School at Mesa Del Sol	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
The New America School	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
School of Dreams	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
Taos Academy	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
Media Arts Collaborative	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
Horizon Academy	Pay for their Portion of Audit to Meyners + Company, LLC	PED	\$17,000	10/23/2009– 12/31/2009
REC 3	Printing & Dist. Of NM High School Competency Exam	PED	-	9/1/2009 – 12/1/2009
Rio Rancho Public School	Jobs for America's Graduates	PED	\$60,000	6/30/2010
UNM	Transition to Teaching Mentoring Initiative	PED	\$199,999	9/28/2009 – 9/30/2010
REC IX	Facilitator	PED	\$600	10/1/2009 – 10/30/2009
NM CYFD	Expansion of Knowledge & Experience in Career Technical Education	PED	\$20,000	6/30/2010

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Native American Community Academy Charter	Fiscal Agent	PED	\$200,000	10/3/2009 – 6/30/2011
Wingate High School	Implement Cultural Based Education Programs	PED	\$50,000	7/31/2010
Mescalero Apache School	Implement Cultural Based Education Programs	PED	\$50,000	10/3/2009 – 7/31/2010
REC IX	Support Monthly Workshops	PED	\$100,000	9/28/2009 – 6/30/2011
Mescalero Apache Tribe	Implement Mescalero Apache Language Program	PED	\$60,000	8/30/2010
NM School for the Blind	NM High School Competency Examination	PED	\$3,923	9/1/2009 – 12/1/2009
Ntl. Assoc. of St. Directors of Special Ed. (NASDSE)	Two-day Workshop for New Mexico Educators	PED	\$15,000	6/30/2010
REC 9	State Performance Plan Training Agendas	PED	\$554,669	6/30/2010
REC 10	State Performance Plan Training Agendas	PED	\$268,511	6/30/2010
REC 5	State Performance Plan Training Agendas	PED	\$428,955	6/30/2010
REC 7	State Performance Plan Training Agendas	PED	\$203,141	6/30/2010
REC 8	State Performance Plan Training Agendas	PED	\$270,065	6/30/2010
REC 3	State Performance Plan Training Agendas	PED	\$284,138	6/30/2010
REC 6	State Performance Plan Training Agendas	PED	\$731,147	6/30/2010
REC 2	State Performance Plan Training Agendas	PED	\$518,728	6/30/2010
Bernalillo Public Schools	Development of Family Community School Partnership	PED	\$200,000	10/21/2009 – 6/30/2011
NMSU	Professional Development Provider	PED	\$69,000	6/30/2010
REC 9	Professional Development Provider	PED	\$244,189	6/30/2010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

17. JOINT POWERS AGREEMENT, MEMORANDA OF UNDERSTANDING AND INTER-GOVERNMENT AGREEMENTS - continued

Contractor	Scope of Work	Responsible Party	Total Amount of Contract	Ending Date
Pueblo Pintado Community School	Navajo Culture-based Education Program	PED	\$50,000	7/30/2010
REC 4	Technical Assistance	PED	\$590,124	6/30/2010
Utah State University	Complaint Investigation Services	PED	\$120,398	9/1/2009 – 9/30/2010
SFCC	Non-traditional Participation Agreement	PED	\$60,000	6/30/2010
Zuni Pueblo	11 Teachers from Teach for America Program	PED	\$22,500	6/30/2010
UNM	Pre-school Network Project	PED	\$687,900	7/1/2009 – 9/30/2010
REC 4	State Performance Plan Training Agendas	PED	\$430,000	10/1/2009 – 9/30/2010
Gallup Mckinley Schools	Recruit 63 Teachers	PED	\$127,500	6/30/2010
Gallup Mckinley Schools	Leadership Training and Coaching	PED	\$300,000	6/20/2010
REC 2	16 Habits of Mind	PED	\$4,000	6/30/2010
REC 10	Professional Development Meetings	PED	\$35,000	3/12/2010 – 7/31/2010
REC 9	Services for NM Food Service Directors Training Conference	PED	\$38,124	4/6/2010 – 6/30/2010
NMSU	Professional Development to NM Mathematics Teachers	PED	\$1,431,800	4/13/2/10 – 9/30/2011

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

18. TRANSFERS IN AND TRANSFERS OUT

Other Financing Uses - External

PED Fund	Agency	Other Agency	Description	Amount
20160	Dept. of Finance & Administration	34100	Revert funds for project	\$ 973,000
51300	Children, Youth, & Family Dept.	69000	Transfer funds for project	250,000
63400	NM Board of Finance	52900	Transfer funds for project	406,058
81800	Local Government Division	34100	Transfer funds for project	100,000
81800	Higher Education Department	52900	Transfer funds for project	1,100
85600	Dept. of Finance & Administration	34100	Revert funds for project	1,900,000
85800	Dept. of Finance & Administration	34100	Revert funds for project	<u>1,700,000</u>
Total External Transfers Out				\$ <u>5,330,158</u>

Other Financing Uses - Internal

PED Fund	Other Fund	Other Fund	Description	Amount
79000	Family Youth	33400	Transfer funds for project	\$ 29,505
05700	Special Projects	79000	Transfer funds for project	8,189
51300	Special Projects	79000	Transfer funds for project	<u>20,000</u>
Total Internal Transfers Out				\$ <u>57,694</u>

Other Financing Sources - External

PED Fund	Agency	Other Agency	Description	Amount
50000	Dept. of Finance & Administration	34100	Transfer funds for project	466,149
63400	Dept. of Finance & Administration	34100	Transfer funds for project	588,830
63500	Dept. of Finance & Administration	34100	Transfer funds for project	140,537
81600	Dept. of Finance & Administration	34100	Transfer funds for project	145,101
81800	Dept. of Finance & Administration	34100	Transfer funds for project	31,257,566
84400	Children, Youth, & Family Dept.	69000	Joint power agreement	300,000
89000	Dept. of Finance & Administration	34100	Federal funds pass-through	<u>175,417,009</u>
Total External Transfers In				\$ <u>208,315,192</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

18. TRANSFERS IN AND TRANSFERS OUT - continued

Other Financing Sources - Internal

PED Fund	Other Fund	Other Fund	Description	Amount
33400	Special Projects	79000	Transfer funds for project	\$ 29,505
79000	General Fund	05700	Transfer funds for project	8,189
79000	Pre-Kindergarten	51300	Transfer funds for project	20,000
85800	Agency Fund	57300	To establish fund	<u>2,550,000</u>
			Total Internal Transfers In	\$ <u>2,607,694</u>

19. BUDGET VIOLATIONS

The Department did not maintain compliance with seven fund's budgeted amounts. The Department had a total final budget variance within the following funds:

Fund	Category	Final Budget Expenditure Variance
05700	Other Financing Uses	\$ 8,189
20160	Other Financing Uses	973,000
51300	Other Financing Uses	20,000
79000	Other Financing Uses	<u>29,505</u>
Total		\$ <u>1,030,694</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

The following are dependent state authorized chartered schools formed under NMSA 22-8A, and as such are presented here as discrete component units of New Mexico Public Education Department:

- Albuquerque School of Excellence (ASE)
- The Albuquerque Sign Language Academy (ASLA)
- Alma de'Arte Charter High School (AACHS)
- The ASK Academy (ASK)
- Cesar Chavez Community School (CCCS)
- Cien Aguas International School (CAIS)
- Cottonwood Classical Preparatory School (CCPS)
- Creative Education Preparatory Institute #1 (CEPI1)
- Gilbert L. Sena Charter High School (GLSCHS)
- Horizon Academy West (HAW)
- The International School at Mesa del Sol (ISMDS)
- The MASTERS Program (MP)
- Media Arts Collaborative Charter School (MACCS)
- The New America School (NAS)
- New Mexico School for Architecture, Construction and Engineering (NMSACE)
- New Mexico School for the Arts (NMSA)
- North Valley Academy (NVA)
- School of Dreams Academy (SDA)
- South Valley Preparatory School (SVPS)
- Taos Academy (TA)
- Taos Integrated School of the Arts (TISA)
- Tierra Adentro (TANM)

The state authorized chartered schools are presented as component units since their operating budgets and charters are annually presented and approved by PED. The New Mexico State Auditor has determined that state authorized chartered schools are major component units of PED. Refer to previous footnotes for significant policies of the state authorized chartered schools, as they are subject to the same State and Federal regulations and follow the same policies as PED. The following are summarized details of the state-chartered schools' balances and transactions as of June 30, 2010, and for the year then ended:

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

• **Cash and Cash Equivalents**

State statutes authorize the investment of 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 properly followed State investment requirements as of June 30, 2010.

State statutes authorize the investment of 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 properly followed State investment requirements as of June 30, 2010.

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 schools. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest on 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 pledged 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 (Negotiable Order of Withdrawal) accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate or unlimited amount if an institution participates in FDIC Transaction Account Guarantee (TAG) Program. This program is in addition to and separate from the coverage available under the FDIC's general deposit insurance rules.

The FDIC's temporary Transaction Account Guarantee Program provides depositors with unlimited coverage for noninterest-bearing transaction accounts at participating FDIC-insured institutions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

• **Cash and Cash Equivalents - continued**

Noninterest-bearing checking accounts include Demand Deposit Accounts (DDA) and any transaction account that has unlimited withdrawals and that cannot earn interest. Also included are low-interest NOW accounts (NOW accounts that cannot earn more than 0.5% interest) and IOLTA (Interest on Lawyer Trust Accounts) accounts. This unlimited insurance coverage is temporary and will remain in effect through June 30, 2010.

• **Deposits**

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

Cash and cash equivalents consists of the following at June 30, 2010:

<u>Deposits</u>	<u>Albuquerque School of Excellence</u>	<u>The Albuquerque Sign Language Academy</u>	<u>Alma d'Arte Charter High School</u>
Total amount of deposits	\$ 43	64,788	51,557
FDIC coverage	<u>250,000</u>	<u>250,000</u>	<u>unlimited</u> *
Total uninsured public funds	-	-	-
Collateral requirement ¹	<u>-</u>	<u>-</u>	<u>-</u>
Pledged security			
Total under (over) collateralized	\$ <u>-</u>	<u>-</u>	<u>-</u>
Pledged collateral ²	\$ <u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

• Deposits - continued

<u>Deposits</u>	<u>The ASK Academy</u>	<u>Cesar Chavez Community School</u>	<u>Cien Aguas International School</u>
Total amount of deposits	\$ 29,207	247,140	283,280
FDIC coverage	<u>250,000</u>	<u>250,000</u>	<u>unlimited</u> *
Total uninsured public funds	-	-	-
Collateral requirement ¹	<u>-</u>	<u>-</u>	<u>-</u>
Pledged security			
Total under (over) collateralized	\$ <u>-</u>	<u>-</u>	<u>-</u>
Pledged collateral ²	\$ <u>-</u>	<u>-</u>	<u>-</u>

<u>Deposits</u>	<u>Cottonwood Classical Preparatory School</u>	<u>Creative Education Preparatory Institute #1</u>	<u>Gilbert L. Sena Charter High School</u>
Total amount of deposits	\$ 191,656	294,736	465,766
FDIC coverage	<u>250,000</u>	<u>unlimited</u> *	<u>unlimited</u>
Total uninsured public funds	-	-	-
Collateral requirement ¹	<u>-</u>	<u>-</u>	<u>-</u>
Pledged security			
Total under (over) collateralized	\$ <u>-</u>	<u>-</u>	<u>-</u>
Pledged collateral ²	\$ <u>-</u>	<u>-</u>	<u>-</u>

<u>Deposits</u>	<u>Horizon Academy West</u>	<u>The International School at Mesa del Sol</u>	<u>The MASTERS Program</u>
Total amount of deposits	\$ 349,467	156,049	8,898
FDIC coverage	<u>unlimited</u> *	<u>unlimited</u> *	<u>unlimited</u> *
Total uninsured public funds	-	-	-
Collateral requirement ¹	<u>-</u>	<u>-</u>	<u>-</u>
Pledged security			
Total under (over) collateralized	\$ <u>-</u>	<u>-</u>	<u>-</u>
Pledged collateral ²	\$ <u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

• Deposits - continued

<u>Deposits</u>	<u>Media Arts Collaborative Charter School</u>	<u>The New America School</u>	<u>NM School for Architecture, Construction & Engineering</u>
Total amount of deposits	\$ 154,343	428,256	23,804
FDIC coverage	<u>unlimited</u> *	<u>250,000</u>	<u>unlimited</u> *
Total uninsured public funds	-	178,256	-
Collateral requirement ¹	-	<u>89,128</u>	-
Pledged security	-	<u>271,194</u>	-
Total under (over) collateralized	\$ -	<u>(182,066)</u>	-
Pledged collateral ²	\$ -	-	-
	New Mexico School for the Arts	North Valley Academy	School of Dreams Academy
<u>Deposits</u>	<u>the Arts</u>	<u>Academy</u>	<u>Dreams Academy</u>
Total amount of deposits	\$ 14,113	257,980	205,234
FDIC coverage	<u>250,000</u>	<u>unlimited</u> *	<u>250,000</u>
Total uninsured public funds	-	-	-
Collateral requirement ¹	-	-	-
Pledged security	-	-	-
Total under (over) collateralized	\$ -	-	-
Pledged collateral ²	\$ -	-	-
	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts
<u>Deposits</u>	<u>School</u>	<u>Academy</u>	<u>School of the Arts</u>
Total amount of deposits	\$ 22,144	198,979	43,671
FDIC coverage	<u>250,000</u>	<u>unlimited</u> *	<u>250,000</u>
Total uninsured public funds	-	-	-
Collateral requirement ¹	-	-	-
Pledged security	-	-	-
Total under (over) collateralized	\$ -	-	-
Pledged collateral ²	\$ -	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS (This note agrees to the modified accrual financial statements)

• Deposits - continued

Deposits	Tierra Adentro
Total amount of deposits	\$ 65,952
FDIC coverage	<u>250,000</u>
Total uninsured public funds	-
Collateral requirement ¹	<u>-</u>
Pledged security	
Total under (over) collateralized	\$ <u>-</u>
Pledged collateral ²	\$ <u>-</u>

¹ Collateral requirement is 50% of uninsured public funds

² Pledged collateral held by pledging banks trust dept. or agent but not in the agency's name

* The school's financial institution has opted to participate in the FDIC Transaction Account Guarantee

³ Agency Fund deposits are held as separate bank accounts under separate depositor.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2010 follows:

Capital Assets	Balance, June 30, 2009	Additions	Deletions	Prior Year Adjustments	Balance, June 30, 2010
Albuquerque School of Excellence					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
The ABQ Sign Language Academy					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Alma d'Arte Charter High School					
Furniture, fixtures and equipment	\$ 134,722	-	-	-	134,722
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>106,191</u>	<u>10,629</u>	-	-	<u>116,820</u>
Capital assets, net	<u>\$ 28,531</u>	<u>(10,629)</u>	<u>-</u>	<u>-</u>	<u>17,902</u>
The ASK Academy					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cesar Chavez Community School					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	21,397	-	-	-	21,397
IT and software	153,017	-	28,183	-	124,834
Less: accumulated depreciation	<u>74,271</u>	<u>22,368</u>	<u>19,728</u>	-	<u>76,910</u>
Capital assets, net	<u>\$ 100,143</u>	<u>(22,368)</u>	<u>8,455</u>	<u>-</u>	<u>69,321</u>
Cien Aguas International School					
Furniture, fixtures and equipment	\$ 15,620	-	-	-	15,620
Buildings and improvements	-	30,729	-	-	30,729
IT and software	6,678	7,780	-	-	14,458
Less: accumulated depreciation	<u>271</u>	<u>7,672</u>	-	-	<u>7,943</u>
Capital assets, net	<u>\$ 22,027</u>	<u>30,837</u>	<u>-</u>	<u>-</u>	<u>52,864</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

Capital Assets	Balance, June 30, 2009	Additions	Deletions	Prior Year Adjustments	Balance, June 30, 2010
Cottonwood Classical Preparatory School					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Creative Education Preparatory Institute #1					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gilbert L. Sena Charter High School					
Furniture, fixtures and equipment	\$ 84,363	-	-	-	84,363
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>34,056</u>	<u>11,237</u>	<u>-</u>	<u>-</u>	<u>45,293</u>
Capital assets, net	<u>\$ 50,307</u>	<u>(11,237)</u>	<u>-</u>	<u>-</u>	<u>39,070</u>
Horizon Academy West					
Furniture, fixtures and equipment	\$ 28,084	-	-	-	28,084
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>20,450</u>	<u>3,817</u>	<u>-</u>	<u>-</u>	<u>24,267</u>
Capital assets, net	<u>\$ 7,634</u>	<u>(3,817)</u>	<u>-</u>	<u>-</u>	<u>3,817</u>
The International School at Mesa del Sol					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	36,937	-	-	36,937
IT and software	-	30,009	-	-	30,009
Less: accumulated depreciation	<u>-</u>	<u>7,759</u>	<u>-</u>	<u>-</u>	<u>7,759</u>
Capital assets, net	<u>\$ -</u>	<u>59,187</u>	<u>-</u>	<u>-</u>	<u>59,187</u>
The MASTERS Program					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

Capital Assets	Balance, June 30, 2009	Additions	Deletions	Prior Year Adjustments	Balance, June 30, 2010
Media Arts Collaborative Charter School					
Furniture, fixtures and equipment	\$ 8,161	28,268	-	-	36,429
Buildings and improvements	-	1,588,533	-	-	1,588,533
IT and software	-	-	-	-	-
Less: accumulated depreciation	<u>144</u>	<u>33,907</u>	-	-	<u>34,051</u>
Capital assets, net	<u>\$ 8,017</u>	<u>1,582,894</u>	<u>-</u>	<u>-</u>	<u>1,590,911</u>
The New America School					
Furniture, fixtures and equipment	\$ 68,000	-	-	-	68,000
Buildings and improvements	-	21,449	-	-	21,449
Vehicle	-	32,593	-	-	32,593
Less: accumulated depreciation	<u>1,889</u>	<u>24,215</u>	-	-	<u>26,104</u>
Capital assets, net	<u>\$ 66,111</u>	<u>29,827</u>	<u>-</u>	<u>-</u>	<u>95,938</u>
NM School for Architecture, Construction & Engineering					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
New Mexico School for the Arts					
Furniture, fixtures and equipment	\$ -	51,758	-	-	51,758
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>-</u>	<u>975</u>	<u>-</u>	<u>-</u>	<u>975</u>
Capital assets, net	<u>\$ -</u>	<u>50,783</u>	<u>-</u>	<u>-</u>	<u>50,783</u>
North Valley Academy					
Furniture, fixtures and equipment	\$ 91,474	-	-	-	91,474
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	<u>49,077</u>	<u>12,658</u>	<u>-</u>	<u>-</u>	<u>61,735</u>
Capital assets, net	<u>\$ 42,397</u>	<u>(12,658)</u>	<u>-</u>	<u>-</u>	<u>29,739</u>
School of Dreams Academy					
Furniture, fixtures and equipment	\$ 22,884	180,100	-	-	202,984
Buildings and improvements	-	-	-	-	-
IT and software	-	-	-	-	-
Less: accumulated depreciation	<u>1,959</u>	<u>61,657</u>	<u>-</u>	<u>-</u>	<u>63,616</u>
Capital assets, net	<u>\$ 20,925</u>	<u>118,443</u>	<u>-</u>	<u>-</u>	<u>139,368</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

Capital Assets	Balance, June 30, 2009	Additions	Deletions	Prior Year Adjustments	Balance, June 30, 2010
South Valley Preparatory School					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Taos Academy					
Furniture, fixtures and equipment	\$ 12,344	-	-	-	12,344
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	600	2,469	-	-	3,069
Capital assets, net	<u>\$ 11,744</u>	<u>(2,469)</u>	<u>-</u>	<u>-</u>	<u>9,275</u>
Taos Integrated School of the Arts					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tierra Adentro					
Furniture, fixtures and equipment	\$ -	-	-	-	-
Buildings and improvements	-	-	-	-	-
Less: accumulated depreciation	-	-	-	-	-
Capital assets, net	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

Depreciation expense for the year ended June 30, 2010 was charged to the following functions:

<u>Depreciation Expense</u>	<u>Albuquerque School of Excellence</u>	<u>The Albuquerque Sign Language Academy</u>	<u>Alma d'Arte Charter High School</u>
Instruction	\$ -	-	8,375
Support services	-	-	2,254
Central services	-	-	-
Operations/Plant Maintenance	-	-	-
Capital Outlay/Unallocated	-	-	-
Total	<u>\$ -</u>	<u>-</u>	<u>10,629</u>

<u>Depreciation Expense</u>	<u>The ASK Academy</u>	<u>Cesar Chavez Community School</u>	<u>Cien Aguas International School</u>
Instruction	\$ -	-	-
Support services	-	-	-
Central services	-	3,855	5,367
Operations/Plant Maintenance	-	18,513	2,305
Capital Outlay/Unallocated	-	-	-
Total	<u>\$ -</u>	<u>22,368</u>	<u>7,672</u>

<u>Depreciation Expense</u>	<u>Cottonwood Classical Preparatory School</u>	<u>Creative Education Preparatory Institute #1</u>	<u>Gilbert L. Sena Charter High School</u>
Instruction	\$ -	-	5,301
Support services	-	-	-
Central services	-	-	5,936
Operations/Plant Maintenance	-	-	-
Capital Outlay/Unallocated	-	-	-
Total	<u>\$ -</u>	<u>-</u>	<u>11,237</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

<u>Depreciation Expense</u>	<u>Horizon Academy West</u>	<u>The International School at Mesa del Sol</u>	<u>The MASTERS Program</u>
Instruction	\$ -	-	-
Support services	-	-	-
Central services	-	5,502	-
Operations/Plant Maintenance	3,817	2,257	-
Capital Outlay/Unallocated	-	-	-
Total	\$ <u>3,817</u>	<u>7,759</u>	-

<u>Depreciation Expense</u>	<u>Media Arts Collaborative Charter School</u>	<u>The New America School</u>	<u>NM School for Architecture, Construction & Engineering</u>
Instruction	\$ -	22,667	-
Support services	-	-	-
Central services	2,017	543	-
Operations/Plant Maintenance	6,954	1,005	-
Capital Outlay/Unallocated	24,936	-	-
Total	\$ <u>33,907</u>	<u>24,215</u>	-

<u>Depreciation Expense</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>	<u>School of Dreams Academy</u>
Instruction	\$ 437	1,704	55,030
Support services	-	-	-
Central services	-	-	6,627
Operations/Plant Maintenance	538	10,954	-
Capital Outlay/Unallocated	-	-	-
Total	\$ <u>975</u>	<u>12,658</u>	<u>61,657</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Capital Assets - continued

<u>Depreciation Expense</u>	<u>South Valley Preparatory School</u>	<u>Taos Academy</u>	<u>Taos Integrated School of the Arts</u>
Instruction	\$ -	2,469	-
Support services	-	-	-
Central services	-	-	-
Operations/Plant Maintenance	-	-	-
Capital Outlay/Unallocated	-	-	-
Total	\$ -	<u>2,469</u>	<u>-</u>

<u>Depreciation Expense</u>	<u>Tierra Adentro</u>
Instruction	\$ -
Support services	-
Central services	-
Operations/Plant Maintenance	-
Capital Outlay/Unallocated	-
Total	\$ -

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• **Commitments and Liabilities**

Below are the details relating to operating leases, capital leases, and compensated absences balances maintained by each of the state authorized chartered schools as of June 30, 2010.

		2011	2012	2013	2014	2015	2016 & Thereafter
Albuquerque School of Excellence	\$	300,000	379,960	455,952	517,952	577,952	97,992

The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

The Albuquerque Sign Language Academy	\$	29,400	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010, was \$2,450.

Alma d'Arte Charter High School	\$	117,655	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

The ASK Academy	\$	257,187	367,130	374,360	382,290	388,820	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

Cesar Chavez Community School	\$	350,000	359,360	369,001	378,931	388,159	2,054,280
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$189,953.

Cien Aguas International School	\$	120,324	120,324	120,324	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$121,079.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Commitments and Liabilities - continued

	2011	2012	2013	2014	2015	2016 & Thereafter
Cottonwood Classical Preparatory School	\$ -	-	-	-	-	-

The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$214,473.

Creative Education Preparatory Institute	\$ 124,159	128,470	132,349	136,378	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$153,189.

Gilbert L. Sena Charter High School	\$ 182,490	186,140	189,863	193,600	197,533	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010, was \$178,912.

Horizon Academy West	\$ 539,522	539,424	539,424	531,137	522,850	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$540,012.

The International School at Mesa del Sol	\$ 164,273	125,493	125,493	85,092	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$85,092. The school also have lease-to-own capital lease with Rio Rancho Public Schools for 6 potables with total amount of \$149,054 and interest of \$2,327 recorded in FY2010.

The MASTERS Program	\$ 72,534	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Commitments and Liabilities - continued

		2011	2012	2013	2014	2015	2016 & Thereafter
Media Arts Collaborative Charter School	\$	208,488	211,488	184,248	184,248	184,248	598,903

The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$218,715. The auditors note that, beginning November 2009, the school converted the operating lease for the building to a capital lease with the landlord, West Highland, LLC. The total of the transaction (principle) is \$1,463,555. The down payment of \$325,000 was paid by PSCOC and the remaining balance will be paid by the school with equal payments of \$15,354 over 108 monthly payments. The school has a bargain purchase option to purchase the building for \$1.00 at the end of the lease.

The New America School	\$	453,725	351,549	341,331	341,331	56,889	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$324,339.

New Mexico School for Architecture, Construction and Engineering	\$	75,000	150,000	220,000	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$6,250.

New Mexico School for the Arts	\$	150,000	150,000	150,000	150,000	12,500	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$20,161.

North Valley Academy	\$	569,435	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$569,435.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Commitments and Liabilities - continued

		2011	2012	2013	2014	2015	2016 & Thereafter
School of Dreams Academy	\$	123,903	181,220	198,245	207,321	206,697	50,995

The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$121,816.

South Valley Preparatory School	\$	39,000	48,000	54,000	63,000	66,000	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$4,950.

Taos Academy	\$	76,000	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the

Taos Integrated School of the Arts	\$	72,756	756	756	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

Tierra Adentro	\$	-	-	-	-	-	-
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The school leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2010 was \$0.

• Educational Retirement Board (ERB) and Retiree Health Care Authority (RHCA) Contributions

Albuquerque School of Excellence – Employer ERA contributions for the year ended June 30, 2010 totaled \$0.00 and employee portions totaled \$0.00. During fiscal year 2010, \$0.00 was remitted for RHC employer contributions and \$0.00 was remitted for RHC employee contributions.

The Albuquerque Sign Language Academy – Employer ERA contributions for the year ended June 30, 2010 totaled \$1,690 and employee portions totaled \$1,457. During fiscal year 2010, \$202 was remitted for RHC employer contributions and \$101 was remitted for RHC employee contributions.

20. COMPONENT UNITS - continued

• Educational Retirement Board (ERB) and Retiree Health Care Authority (RHCA) Contributions - continued

Alma d'Arte Charter High School – Employer ERA contributions for the year ended June 30, 2010 totaled \$140,192 and employee portions totaled \$89,542. During fiscal year 2010, \$12,501 was remitted for RHC employer contributions and \$6,251 was remitted for RHC employee contributions.

The ASK Academy – Employer ERA contributions for the year ended June 30, 2010 totaled \$977 and employee portions totaled \$842. During fiscal year 2010, \$116 was remitted for RHC employer contributions and \$58 was remitted for RHC employee contributions.

Cesar Chavez Community School – Employer ERA contributions for the year ended June 30, 2010 totaled \$127,831 and employee portions totaled \$98,550. During fiscal year 2010, \$14,497 was remitted for RHC employer contributions and \$7,249 was remitted for RHC employee contributions.

Cien Aguas International School – Employer ERA contributions for the year ended June 30, 2010 totaled \$64,165 and employee portions totaled \$53,960. During fiscal year 2010, \$7,565 was remitted for RHC employer contributions and \$3,782 was remitted for RHC employee contributions.

Cottonwood Classical Preparatory School – Employer ERA contributions for the year ended June 30, 2010 totaled \$153,344 and employee portions totaled \$129,392. During fiscal year 2010, \$18,354 was remitted for RHC employer contributions and \$9,013 was remitted for RHC employee contributions.

Creative Education Preparatory Institute #1 – Employer ERA contributions for the year ended June 30, 2010 totaled \$129,513 and employee portions totaled \$94,709. During fiscal year 2010, \$14,373 was remitted for RHC employer contributions and \$7,186 was remitted for RHC employee contributions.

Gilbert L. Sena Charter High School – Employer ERA contributions for the year ended June 30, 2010 totaled \$118,982 and employee portions totaled \$91,842. During fiscal year 2010, \$13,508 was remitted for RHC employer contributions and \$6,754 was remitted for RHC employee contributions.

Horizon Academy West – Employer ERA contributions for the year ended June 30, 2010 totaled \$187,824 and employee portions totaled \$158,722. During fiscal year 2010, \$22,254 was remitted for RHC employer contributions and \$12,092 was remitted for RHC employee contributions.

The International School at Mesa del Sol – Employer ERA contributions for the year ended June 30, 2010 totaled \$33,754 and employee portions totaled \$28,887. During fiscal year 2010, \$4,189 was remitted for RHC employer contributions and \$2,116 was remitted for RHC employee contributions.

The MASTERS Program – Employer ERA contributions for the year ended June 30, 2010 totaled \$0 and employee portions totaled \$0. During fiscal year 2010, \$0 was remitted for RHC employer contributions and \$0 was remitted for RHC employee contributions.

20. COMPONENT UNITS - continued

Educational Retirement Board (ERB) and Retiree Health Care Authority (RHCA) Contributions - continued

Media Arts Collaborative Charter School – Employer ERA contributions for the year ended June 30, 2010 totaled \$96,080 and employee portions totaled \$81,518. During fiscal year 2010, \$11,426 was remitted for RHC employer contributions and \$5,713 was remitted for RHC employee contributions.

The New America School – Employer ERA contributions for the year ended June 30, 2010 totaled \$80,343 and employee portions totaled \$59,102. During fiscal year 2010, \$9,016 was remitted for RHC employer contributions and \$4,082 was remitted for RHC employee contributions.

New Mexico School for Architecture, Construction and Engineering – Employer ERA contributions for the year ended June 30, 2010 totaled \$0 and employee portions totaled \$0. During fiscal year 2010, \$0 was remitted for RHC employer contributions and \$0 was remitted for RHC employee contributions.

New Mexico School for the Arts – Employer ERA contributions for the year ended June 30, 2010 totaled \$0 and employee portions totaled \$0. During fiscal year 2010, \$0 was remitted for RHC employer contributions and \$0 was remitted for RHC employee contributions.

North Valley Academy – Employer ERA contributions for the year ended June 30, 2010 totaled \$160,450 and employee portions totaled \$135,935. During fiscal year 2010, \$21,549 was remitted for RHC employer contributions and \$11,164 was remitted for RHC employee contributions.

School of Dreams Academy – Employer ERA contributions for the year ended June 30, 2010 totaled \$51,007 and employee portions totaled \$31,503. During fiscal year 2010, \$5,152 was remitted for RHC employer contributions and \$2,576 was remitted for RHC employee contributions.

South Valley Preparatory School – Employer ERA contributions for the year ended June 30, 2010 totaled \$1,968 and employee portions totaled \$1,697. During fiscal year 2010, \$274 was remitted for RHC employer contributions and \$137 was remitted for RHC employee contributions.

Taos Academy – Employer ERA contributions for the year ended June 30, 2010 totaled \$52,461 and employee portions totaled \$26,388. During fiscal year 2010, \$5,385 was remitted for RHC employer contributions and \$2,627 was remitted for RHC employee contributions.

Taos Integrated School of the Arts – Employer ERA contributions for the year ended June 30, 2010 totaled \$0 and employee portions totaled \$0. During fiscal year 2010, \$0 was remitted for RHC employer and \$0 was remitted for RHC employee contributions.

Tierra Adentro – Employer ERA contributions for the year ended June 30, 2010 totaled \$2,453 and employee portions totaled \$2,115. During fiscal year 2010, \$293 was remitted for RHC employer and \$146 was remitted for RHC employee contributions.

20. COMPONENT UNITS - continued

• Subsequent Events Related to State Authorized Chartered Schools

The following schools had subsequent events requiring disclosure:

Albuquerque School of Excellence – None

The Albuquerque Sign Language Academy – None

Alma d'Arte Charter High School – None

The ASK Academy – None

Cesar Chavez Community School – None

Cien Aguas International School – None

Cottonwood Classical Preparatory School – None

Creative Education Preparatory Institute #1 – None

Gilbert L. Sena Charter High School – None

Horizon Academy West – None

The International School at Mesa del Sol – None

The MASTERS Program – None

Media Arts Collaborative Charter School - None

The New America School – None

New Mexico School for Architecture, Construction and Engineering – None

New Mexico School for the Arts – None

North Valley Academy – None

School of Dreams Academy – None

South Valley Preparatory School – None

20. COMPONENT UNITS - continued

• Subsequent Events Related to State Authorized Chartered Schools - continued

Taos Academy – None

Taos Integrated School of the Arts – None

Tierra Adentro – None

• Related Party Transactions

The following schools had related party transactions requiring disclosure:

Alma d'Arte Charter High School – Alma d'Arte has a related party, Mesilla Valley Youth Foundation dba Court Youth Center, a New Mexico non-profit organization. Its purpose is to encourage educational and cultural programs oriented to youth, and to provide support to facilities and activities for the youth of the Greater Las Cruces area. The organization provides programs in the areas of visual arts, culinary arts, performing arts and literary arts. The non-profit was not deemed to be a component unit to the Alma d'Arte charter school. The organization provides the following support to Alma d'Arte but is not limited to:

- 1) The organization donates the space to Alma d'Arte solely for youth educational activities, including, but not limited to, recreational and artistic related activities. The value of the donated rent was valued at \$64,000.
- 2) The organization's Executive Director is also the Executive Artistic Producer for Alma d'Arte and serves as an ex-officio member on the Governance Council.

The ASK Academy – None

Cesar Chavez Community School – None

Cien Aguas International School – None

Cottonwood Classical Preparatory School – None

Creative Education Preparatory Institute #1 – None

Gilbert L. Sena Charter High School – None

Horizon Academy West – None

The International School at Mesa del Sol – None

The MASTERS Program – None

20. COMPONENT UNITS - continued

• **Related Party Transactions - continued**

Media Arts Collaborative Charter School - None

The New America School – None

New Mexico School for Architecture, Construction and Engineering – None

New Mexico School for the Arts – The school has a related party, School for the Arts – NM, a non-profit organization. The non-profit's mission is to support an art related program all over the State of New Mexico and not limited to the assistance to the school. In the current year, the majority of the resources, both financial and human, of the non-profit were related to programs other than the school. The support provided to the school was to assist the school during the planning and start-up years.

North Valley Academy – None

School of Dreams Academy – None

South Valley Preparatory School – None

Taos Academy – None

Taos Integrated School of the Arts – None

Tierra Adentro – None

• **Prior Period Adjustments Relating to State Authorized Chartered Schools**

The following schools had prior period adjustments requiring disclosure:

Albuquerque School of Excellence – None

The Albuquerque Sign Language Academy – None

Alma d'Arte Charter High School – None

The ASK Academy – None

Cesar Chavez Community School – None

Cien Aguas International School – None

Cottonwood Classical Preparatory School – None

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Prior Period Adjustments Relating to State Authorized Chartered Schools - continued

Creative Education Preparatory Institute #1 – None

Gilbert L. Sena Charter High School – None

Horizon Academy West – The fund balance for the Food Services fund (23000) has been restated for \$18,997 due to the double posting of deposits already cleared.

As a result of the restatement, the June 30, 2009 fund balance was restated as follows:

Ending fund balance (deficit), June 30, 2009	\$	251,481
Restatement		<u>(18,997)</u>
Restated ending fund balance (deficit), June 30, 2010	\$	<u>232,484</u>

The net assets had the same restatement. As a result, the June 30, 2009 restatement decreased net assets by \$18,997.

The International School at Mesa del Sol – None

The MASTERS Program – None

Media Arts Collaborative Charter School - None

The New America School – None

20. COMPONENT UNITS - continued

• **Prior Period Adjustments Relating to State Authorized Chartered Schools - continued**

New Mexico School for Architecture, Construction and Engineering – None

New Mexico School for the Arts – None

North Valley Academy – None

School of Dreams Academy – None

South Valley Preparatory School – None

Taos Academy – None

Taos Integrated School of the Arts – None

Tierra Adentro – None

• **Component Units of State Authorized Chartered Schools**

The following state-chartered schools maintained component units as follows:

Albuquerque School of Excellence – None

The Albuquerque Sign Language Academy – None

Alma d'Arte Charter High School – None

The ASK Academy – None

Cesar Chavez Community School – None

Cien Aguas International School – The school has a component unit, a foundation. However, there were minimal activities during the year. The Foundation is reflected in the financial statements as Fund – Foundation.

20. COMPONENT UNITS - continued

• Component Units of State Authorized Chartered Schools - continued

Cottonwood Classical Preparatory School – CCPS has a component unit, Cottonwood Classical Foundation (The Foundation), a New Mexico non-profit organization. The Foundation's purpose is to create and encourage an opportunity for private individuals and organizations to invest in the support of CCPS' (the school's) programs and services; manage private gifts and donations and ensure not to jeopardize CCPS's tax exempt status; and provide a medium for community leasers and CCPS alumni to participate in and contribute to the strengthening of CCPS through their participation in the solicitation, management and distribution of private gifts and donations.

The school provides staff support; provides liabilities insurance for the director and officers, IT support, office space and pays for utilities; and provides other necessary business, financial, legal, public relations and consulting services. These services are provided at no cost for the period of the first three years of the organization.

Creative Education Preparatory Institute #1 – None

Gilbert L. Sena Charter High School – None

Horizon Academy West – None

The International School at Mesa del Sol – None

The MASTERS Program – None

Media Arts Collaborative Charter School - The school has a component unit, a foundation. However, there were minimal activities during the year. The Foundation is reflected in the financial statements as Fund – Foundation.

The New America School – None

New Mexico School for Architecture, Construction and Engineering – None

New Mexico School for the Arts – None

North Valley Academy – None

School of Dreams Academy – None

South Valley Preparatory School – None

Taos Academy – None

20. COMPONENT UNITS - continued

• Component Units of State Authorized Chartered Schools - continued

Taos Integrated School of the Arts – None

Tierra Adentro – None

• Joint Powers Agreements of State Authorized Chartered Schools

The following schools had Joint Powers Agreements requiring disclosure:

Albuquerque School of Excellence – None

The Albuquerque Sign Language Academy – None

Alma d'Arte Charter High School – None

The ASK Academy – None

Cesar Chavez Community School – None

Cien Aguas International School - Has a related party with Dual Language of New Mexico for a contracted amount of \$28,000 for the services of design and implementation of dual language programs. The contract between the related party will expire on November 2010.

Cottonwood Classical Preparatory School – None

Creative Education Preparatory Institute #1 – None

Gilbert L. Sena Charter High School – None

Horizon Academy West – None

The International School at Mesa del Sol – None

The MASTERS Program – None

Media Arts Collaborative Charter School - None

The New America School – None

New Mexico School for Architecture, Construction and Engineering – None

New Mexico School for the Arts – None

20. COMPONENT UNITS - continued

• **Joint Powers Agreements of State Authorized Chartered Schools - continued**

North Valley Academy – None

School of Dreams Academy – None

South Valley Preparatory School – None

Taos Academy – None

Taos Integrated School of the Arts – None

Tierra Adentro – None

• **Budgets and Budgetary Accounting (Non-GAAP) of State Authorized Chartered Schools**

As mentioned previously, the discretely presented component units use the Non-GAAP budgetary basis, which is cash basis.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• **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. Excess of expenditures over appropriations.
- b. Receivables and payables from interfund transactions as of June 30, 2010, with funds in which interfund transactions were affected or created due to cash overdrafts represented.
- c. Deficit fund balance of individual funds.

Albuquerque School of Excellence

- a. Refer to Finding 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. No funds reported a deficit fund balance at June 30, 2010

The Albuquerque Sign Language Academy

- a. Refer to Finding 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ 25	0
Charter Schools	-	25
Total due to/from other funds	\$ 25	25

- c. The following funds reported a deficit fund balance at June 30, 2010:

Operational	\$ (23,800)
Total	\$ (23,800)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

Alma d'Arte Charter High School

- a. Refer to Findings 9-18-CS and 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	83,367
McCune Charitable Foundation	-	4,252
Food Services	1,748	
T I - IASA	6,615	-
ID-B	3,861	-
Enhancing Education Thru Technology	18,110	-
Teacher/Principal Training & Recruiting	587	-
Safe & Drug Free Schools & Community	836	-
T-I Federal Stimulus	4,915	-
ID-B Federal Stimulus	10,504	-
AmeriCorps	14,696	-
NM Community Foundation	20,000	-
TQM in Public Schools PED	2,504	-
Library Funds	3,243	-
Total due to/from other funds	\$ 87,619	87,619

- c. The following funds reported a deficit fund balance at June 30, 2010:

Food Services	\$ (7)
AmeriCorps	(15,000)
NM Community Foundation	(20,000)
Library Funds	(3,243)
Total	\$ (38,250)

The ASK Academy

- a. No funds exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• **Other Required Individual Fund Disclosures - continued**

The ASK Academy - continued

c. No funds reported a deficit fund balance at June 30, 2010

Cesar Chavez Community School

- a. No funds exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	18,888
Materials	-	432
Agency Fund		727
Operational	527	-
ID-B Federal Stimulus	10,482	-
2008 Student Library Fund	3,229	-
Liabraries SB 301	1,960	-
City/ County Grants	3,849	-
Total	\$ 20,047	20,047

c. No funds reported a deficit fund balance at June 30, 2010

Cien Aguas International School

- a. Refer to Findings 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	38,684
T- I	4,193	-
ID-B	10,585	-
Teacher/ Principal Training & Recruiting	4,518	-
T- I Federal Stimulus	5,071	-
ID-B Federal Stimulus	14,317	-
Total	\$ 38,684	38,684

c. No funds reported a deficit fund balance at June 30, 2010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

Cottonwood Classical Preparatory School

- a. Refer to Findings 9-18-CS and 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	6,675
ID-B	2,092	-
ID-B Federal Stimulus	348	-
T- I	4178	-
Technology for Education PED	57	-
Total due to/from other funds	\$ 6,675	6,675

- c. Due to requested funds not received by the end of the period of availability, the following funds reported a deficit fund balance at June 30, 2010:

Operational	\$ (121,314)
ID-B	(403)
ID-B Federal Stimulus	(2,799)
Technology for Education PED	(57)
Total	\$ (124,573)

Creative Education Preparatory Institute #1

- a. Refer to Findings 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	201,813
T- I	20,954	-
Training	5,187	-
Safe & Drug Free	720	-
T- I Federal Stimulus	13,100	-
State Equalization Guarantee	64,544	-

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

School in Need of Improvement	30,000	
Public School Capital Outlay	<u>67,308</u>	<u>-</u>
 Total due to/from other funds	 \$ <u>201,813</u>	 <u>201,813</u>

c. The following funds reported a deficit fund balance at June 30, 2010:

T- I Federal Stimulus	\$ (3,168)	
State Equalization Guarantee	(64,552)	
School in Need of Improvement	(30,000)	
Public School Capital Outlay	<u>(67,308)</u>	
 Total	 \$ <u>(165,028)</u>	

Gilbert L. Sena Charter High School

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>
Operational	\$ -	40,394
Training	10,394	-
School in Need of Improvement	<u>30,000</u>	<u>-</u>
 Total due to/from other funds	 \$ <u>40,394</u>	 <u>40,394</u>

c. No funds reported a deficit fund balance at June 30, 2010

Horizon Academy West

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>
Operational	\$ -	158,736
T- I	12,707	-
ID- B	<u>13,048</u>	<u>-</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

ID- B "Risk Pool"	1,061	-
Teacher/ Principal Training & Recruiting	1,969	
Safe & Drug Free School & Community	1,618	
T- I Federal Stimulus	18,562	-
ID- B Federal Stimulus	7,855	-
2008 Student Library Fund	3,605	
Public School Capital Outlay	77,725	
Elementary & Middle School Initiative	2,205	
Technology for Education PED	6,868	
Truancy Initiative PED	1,935	
Capital Improvements SB-9	9,578	-
Total due to/from other funds	\$ <u>158,736</u>	<u>158,736</u>

- c. Due to requested funds not received by the end of the period of availability, the following funds reported a deficit fund balance at June 30, 2010:

Elementary & Middle School Initiative	\$ (2,220)	
Technology for Education PED	(7,672)	
Total	\$ <u>(9,892)</u>	

The International School at Mesa del Sol

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. The following funds reported a deficit fund balance at June 30, 2010:

Operational	\$ <u>(31,134)</u>	
Total	\$ <u>(31,134)</u>	

The MASTERS Program

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. No funds reported a deficit fund balance at June 30, 2010

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• **Other Required Individual Fund Disclosures - continued**

Media Arts Collaborative Charter School

- a. Refer to Findings 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	83,537
T- I	12,312	-
ID- B	13,348	-
ID- B "Risk Pool"	19,278	-
Teacher/ Principal Training & Recruiting	11,789	-
ID- B Federal Stimulus	2,949	-
Public School Capital Outlay	21,560	-
Capital Improvement	2,301	-
Total due to/from other funds	\$ 83,537	83,537

- c. No funds reported a deficit fund balance at June 30, 2010

The New America School

- a. No funds exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	68,728
T- I	55,806	-
English Language Acquisition	8,000	-
State Equalization Guarantee	3,354	-
2008 Student Library Fund	1,568	-
Total due to/from other funds	\$ 68,728	68,728

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

The New America School - continued

c. The following funds reported a deficit fund balance at June 30, 2010:

T- I	\$	(7,020)
State Equalization Guarantee		(3,354)
Beginning Teacher Mentoring		<u>(1,165)</u>
Total	\$	<u>(11,539)</u>

New Mexico School for Architecture, Construction and Engineering

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. No funds reported a deficit fund balance at June 30, 2010

New Mexico School for the Arts

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. The following funds reported a deficit fund balance at June 30, 2010:

Operational	\$	<u>(41,563)</u>
Total	\$	<u>(41,563)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

North Valley Academy

- a. Refer to Findings 9-18-CS and 10-30-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	428,036
Instructional Materials	527	
Food Services	45,369	
T- I	67,250	-
ID- B	37,201	-
Charter Schools	41,213	-
Training & Recruiting	43,391	-
T- I Federal Stimulus	49,424	-
ID- B Federal Stimulus	36,162	
Technology for Education	2,869	
Pre-K Initiative	103,621	
Beginning Teacher Mentoring	850	
Private Grants	159	-
 Total due to/from other funds	 \$ 428,036	 428,036

- c. The following funds reported a deficit fund balance at June 30, 2010:

Food Services	\$ (428)
T- I	(9,614)
ID- B	(7,036)
Charter Schools	(33,610)
Training & Recruiting	(36,143)
T- I Federal Stimulus	(2,529)
ID- B Federal Stimulus	(5,428)
Technology for Education	(2,869)
Pre-K Initiative	(52,416)
 Total	 \$ (150,073)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

School of Dreams Academy

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Operational	\$ -	24,245
T- I	2,639	-
ID- B	592	-
T- I Federal Stimulus	1,774	-
ID- B Federal Stimulus	6,215	-
State Equalization Guarantee	13,025	-
Total due to/from other funds	\$ 24,245	24,245

- c. The following funds reported a deficit fund balance at June 30, 2010:

ID- B	\$ (260)
T- I Federal Stimulus	(1,774)
Total	\$ (2,034)

South Valley Preparatory School

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

	Due to Other Funds	Due from Other Funds
Charter School (Federal)	\$ -	199
Operational	199	-
Total due to/from other funds	\$ 199	199

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

c. The following funds reported a deficit fund balance at June 30, 2010:

Operational	\$	(199)
Total	\$	<u>(199)</u>

• Other Required Individual Fund Disclosures - continued

Taos Academy

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. Receivables and payables from interfund transactions as of June 30, 2010 are listed below. Funds for which interfund transactions were affected or created due to cash overdrafts are represented.

		<u>Due to Other Funds</u>	<u>Due from Other Funds</u>
Operational	\$	-	28,348
T- I		6,357	-
ID- B		4,680	-
Teacher/ Principal Training & Recruiting		5,482	-
T- I Federal Stimulus		3,327	-
ID- B Federal Stimulus		7,656	-
2008 Student Library Fund		546	-
Rural Revitalization		<u>300</u>	<u>-</u>
Total due to/from other funds	\$	<u>28,348</u>	<u>28,348</u>

c. The following funds reported a deficit fund balance at June 30, 2010:

T- I Federal Stimulus	\$	(4,049)
Rural Revitalization		<u>(300)</u>
Total	\$	<u>(4,049)</u>

Taos Integrated School of the Arts

- a. Refer to Findings 9-18-CS for funds that exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. No funds reported a deficit fund balance at June 30, 2010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Financial Statements - continued

20. COMPONENT UNITS - continued

• Other Required Individual Fund Disclosures - continued

Tierra Adentro

- a. No funds exceeded approved budgetary authority for the year ended June 30, 2010.
- b. There were no receivables and payables from interfund transactions as of June 30, 2010.
- c. No funds reported a deficit fund balance at June 30, 2010

20. COMPONENT UNITS - continued

• Fund Balance - Component Units

Component units Beginning Fund Balances follow:

School	Beginning Fund Balance FY2009	Restatement	Restated Beginning Fund Balance FY2010
Schools previously reported as component units:			
Cien Aguas International School	\$ 362,546	-	362,546
Cottonwood Classical Preparatory School	(5,421)	-	(5,421)
Horizon Academy West	251,481	(18,997)	232,484
International School at Mesa del Sol	545,818	-	545,818
Media Arts Collaborative Charter School	176,149	4,779	180,928
The New America School	403,523	-	403,523
North Valley Academy	(167,575)	-	(167,575)
School of Dreams Academy	196,014	-	196,014
Taos Academy	(18,175)	-	(18,175)
Total schools previously reported as component units	1,744,360	(14,218)	1,730,142
Schools added in FY2010:			
Albuquerque School of Excellence	-	-	-
The Albuquerque Sign Language Academy	-	-	-
Alma d'Arte Charter High School	54,929	-	54,929
The ASK Academy	-	-	-
Cesar Chavez Community School	193,719	-	193,719
Creative Education Preparatory Institute #1	342,130	-	342,130
Gilbert L. Sena Charter High School	314,916	-	314,916
The MASTERS Program	-	-	-
NM School for Architecture, Construction & Engineering	-	-	-
New Mexico School for the Arts	-	-	-
South Valley Preparatory School	-	-	-
Taos Integrated School for the Arts	-	-	-
Tierra Adentro	-	-	-
Total schools added in FY2010	905,694	-	905,694
Total all schools	\$ 2,650,054	(18,997)	2,635,836

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Financial Statements - continued

21. COMBINING STATEMENTS OF COMPONENT UNITS

Per new Mexico State Auditor Rule 2.2.2.12C.(5)(c), all charter schools of the Department are presented as major component units on a full accrual basis in the notes to the basic financial statements.

AS OF JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
CURRENT ASSETS:					
Cash and cash equivalents	\$ 43	36,710	20,377	26,660	195,748
Due from other governments	189,598	110,169	61,703	39,880	19,520
Prepaid expenses	-	-	-	-	-
Other Assets	-	-	-	-	-
TOTAL CURRENT ASSETS	189,641	146,879	82,080	66,540	215,268
NON-CURRENT ASSETS:					
Capital assets:					
Furniture, fixtures and equipment	-	-	134,722	-	146,231
Less: accumulated depreciation	-	-	(116,820)	-	(76,910)
TOTAL NON-CURRENT ASSETS	-	-	17,902	-	69,321
TOTAL ASSETS	\$ 189,641	146,879	99,982	66,540	284,589
LIABILITIES AND NET ASSETS:					
CURRENT LIABILITIES:					
Accounts payable	76,452	66,510	13,220	53,615	-
Accrued payroll	-	5,691	33,473	3,493	6,952
Deferred revenue	-	-	-	-	727
Compensated absences - due within one year	-	-	-	-	-
Other current liabilities - due within one year	-	-	-	-	-
TOTAL CURRENT LIABILITIES	76,452	72,201	46,693	57,108	7,679
NON-CURRENT LIABILITIES:					
Other non-current liabilities due in more than one year	-	-	-	-	-
TOTAL LIABILITIES	76,452	72,201	46,693	57,108	7,679
NET ASSETS:					
Invested in capital assets	-	-	17,902	-	69,321
Restricted	113,146	-	(6,475)	3,407	5,670
Unrestricted	43	74,678	41,862	6,025	201,919
TOTAL NET ASSETS	113,189	74,678	53,289	9,432	276,910
TOTAL LIABILITIES AND NET ASSETS	\$ 189,641	146,879	99,982	66,540	284,589

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Net Assets - Major Component Units

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
259,157	128,916	33,065	396,880	288,498	114,799	8,898
45,792	9,129	42,155	40,394	177,230	-	143,884
4,820	6,621	-	-	14,525	-	5,123
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
309,769	151,343	75,220	437,274	480,253	114,799	157,905
60,807	-	-	84,363	28,084	66,946	-
<u>(7,943)</u>	<u>-</u>	<u>-</u>	<u>(45,293)</u>	<u>(24,267)</u>	<u>(7,759)</u>	<u>-</u>
<u>52,864</u>	<u>-</u>	<u>-</u>	<u>39,070</u>	<u>3,817</u>	<u>59,187</u>	<u>-</u>
<u>362,633</u>	<u>151,343</u>	<u>75,220</u>	<u>476,344</u>	<u>484,070</u>	<u>173,986</u>	<u>157,905</u>
41,243	-	-	3,326	9,488	53,051	72,945
22,428	177,099	38,273	53,428	185,921	23,341	-
-	-	-	-	-	-	-
-	-	93,734	-	89,388	-	-
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
63,671	183,776	132,007	56,754	284,797	76,392	72,945
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
63,671	183,776	132,007	56,754	284,797	76,392	72,945
52,864	-	-	39,070	3,817	59,187	-
125,243	88,881	(152,519)	45,938	(9,420)	69,541	76,062
<u>120,855</u>	<u>(121,314)</u>	<u>95,732</u>	<u>334,582</u>	<u>204,876</u>	<u>(31,134)</u>	<u>8,898</u>
<u>298,962</u>	<u>(32,433)</u>	<u>(56,787)</u>	<u>419,590</u>	<u>199,273</u>	<u>97,594</u>	<u>84,960</u>
<u>362,633</u>	<u>151,343</u>	<u>75,220</u>	<u>476,344</u>	<u>484,070</u>	<u>173,986</u>	<u>157,905</u>

AS OF JUNE 30, 2010

	Media Arts Collaborative Charter School	The New America School	NM School for Architecture, Construction & Engineering	New Mexico School for the Arts	North Valley Academy
CURRENT ASSETS:					
Cash and cash equivalents	\$ 280,736	336,484	57,625	14,112	230,689
Due from other governments	90,042	74,561	-	-	328,984
Prepaid expenses	-	6,524	11,221	38,495	16,006
Other Assets	-	-	-	<u>12,500</u>	<u>8,220</u>
TOTAL CURRENT ASSETS	370,778	417,569	68,846	65,107	583,899
NON-CURRENT ASSETS:					
Capital assets:					
Furniture, fixtures and equipment	1,624,962	122,042	-	51,758	91,474
Less: accumulated depreciation	<u>(34,051)</u>	<u>(26,104)</u>	-	<u>(975)</u>	<u>(61,735)</u>
TOTAL NON-CURRENT ASSETS	<u>1,590,911</u>	<u>95,938</u>	<u>-</u>	<u>50,783</u>	<u>29,739</u>
TOTAL ASSETS	\$ <u>1,961,689</u>	<u>513,507</u>	<u>68,846</u>	<u>115,890</u>	<u>613,638</u>
LIABILITIES AND NET ASSETS:					
CURRENT LIABILITIES:					
Accounts payable	11,810	15,948	27,607	68,175	184,561
Accrued payroll	81,390	96,091	-	-	346,924
Deferred revenue	-	-	-	-	-
Compensated absences	-	-	-	-	4,032
Other current liabilities - due within one year	<u>91,314</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	184,514	112,039	27,607	68,175	535,517
NON-CURRENT LIABILITIES:					
Other non-current liabilities due in more than one year	<u>989,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	1,173,980	112,039	27,607	68,175	535,517
NET ASSETS:					
Invested in capital assets	510,131	95,938	-	50,783	29,739
Restricted for special revenue funds	26,175	34,560	-	38,495	(4,111)
Unrestricted	<u>251,403</u>	<u>270,970</u>	<u>41,239</u>	<u>(41,563)</u>	<u>52,493</u>
TOTAL NET ASSETS	<u>787,709</u>	<u>401,468</u>	<u>41,239</u>	<u>47,715</u>	<u>78,121</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,961,689</u>	<u>513,507</u>	<u>68,846</u>	<u>115,890</u>	<u>613,638</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Net Assets - Major Component Units - continued

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
157,085	11,338	137,942	43,671	60,123	2,839,556
29,257	246,342	29,169	-	-	1,677,809
8,501	47,093	67,200	28,667	9,692	264,488
-	27,310	4,000	6,000	-	64,707
194,843	332,083	238,311	78,338	69,815	4,846,560
202,984	-	12,344	-	-	2,626,717
(63,616)	-	(3,069)	-	-	(468,542)
139,368	-	9,275	-	-	2,158,175
<u>334,211</u>	<u>332,083</u>	<u>247,586</u>	<u>78,338</u>	<u>69,815</u>	<u>7,004,735</u>
9,960	16,150	15,147	23,117	14,214	776,539
2,491	7,267	81,963	-	-	1,166,225
-	-	-	-	-	727
-	-	-	-	-	187,154
-	-	-	-	-	97,991
12,451	23,417	97,110	23,117	14,214	2,228,636
-	-	-	-	-	989,466
12,451	23,417	97,110	23,117	14,214	3,218,102
139,368	-	9,275	-	-	1,077,395
31,676	308,865	21,345	55,151	-	871,630
150,716	(199)	119,856	70	55,601	1,837,608
321,760	308,666	150,476	55,221	55,601	3,786,633
<u>334,211</u>	<u>332,083</u>	<u>247,586</u>	<u>78,338</u>	<u>69,815</u>	<u>7,004,735</u>

YEAR ENDED JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
PROGRAM EXPENSES:					
School activities	\$ <u>76,509</u>	<u>167,883</u>	<u>2,034,579</u>	<u>146,300</u>	<u>2,189,994</u>
PROGRAM REVENUES:					
Charges for services	\$ -	-	34,920	-	-
Operating grants and contributions	\$ 189,598	242,561	424,786	155,732	543,778
Capital grants and contributions	\$ -	-	-	-	-
TOTAL PROGRAM REVENUES	<u>189,598</u>	<u>242,561</u>	<u>459,706</u>	<u>155,732</u>	<u>543,778</u>
NET PROGRAM (EXPENSE) REVENUES	113,089	74,678	(1,574,873)	9,432	(1,646,216)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee	\$ -	-	1,465,441	-	1,485,561
Miscellaneous	100	-	79,261	-	152,157
Gain (Loss) on the disposal of assets	-	-	-	-	(8,454)
Transfers in / out	-	-	-	-	-
TOTAL GENERAL REVENUES AND TRANSFERS	\$ <u>100</u>	<u>-</u>	<u>1,544,702</u>	<u>-</u>	<u>1,629,264</u>
CHANGE IN NET ASSETS	\$ 113,189	74,678	(30,171)	9,432	(16,952)
NET ASSETS, BEGINNING	\$ -	-	83,460	-	293,862
RESTATEMENTS	\$ -	-	-	-	-
NET ASSETS, BEGINNING RESTATED	\$ -	-	83,460	-	293,862
NET ASSETS, ENDING	\$ <u>113,189</u>	<u>74,678</u>	<u>53,289</u>	<u>9,432</u>	<u>276,910</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Activities - Charter Schools

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
<u>1,518,893</u>	<u>2,793,172</u>	<u>2,115,260</u>	<u>2,126,149</u>	<u>3,500,806</u>	<u>1,198,302</u>	<u>196,078</u>
-	25,616	9,360	-	70,270	29,576	-
299,651	385,434	242,819	477,458	1,215,182	154,904	271,038
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>299,651</u>	<u>411,050</u>	<u>252,179</u>	<u>477,458</u>	<u>1,285,452</u>	<u>184,480</u>	<u>271,038</u>
(1,219,242)	(2,382,122)	(1,863,081)	(1,648,691)	(2,215,354)	(1,013,822)	74,960
856,459	1,936,529	1,539,245	1,625,194	2,268,536	479,882	-
277,172	47,214	2,644	77,864	3,601	85,716	10,000
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,133,631</u>	<u>1,983,743</u>	<u>1,541,889</u>	<u>1,703,058</u>	<u>2,272,137</u>	<u>565,598</u>	<u>10,000</u>
(85,611)	(398,379)	(321,192)	54,367	56,783	(448,224)	84,960
384,573	365,946	264,405	365,223	161,487	545,818	-
-	-	-	-	(18,997)	-	-
<u>384,573</u>	<u>365,946</u>	<u>264,405</u>	<u>365,223</u>	<u>142,490</u>	<u>545,818</u>	<u>-</u>
<u>298,962</u>	<u>(32,433)</u>	<u>(56,787)</u>	<u>419,590</u>	<u>199,273</u>	<u>97,594</u>	<u>84,960</u>

YEAR ENDED JUNE 30, 2010

	<u>Media Arts Collaborative Charter School</u>	<u>The New America School</u>	<u>NM School for Architecture, Construction & Engineering</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>
PROGRAM EXPENSES:					
School activities	\$ <u>1,991,584</u>	<u>2,411,131</u>	<u>200,724</u>	<u>560,115</u>	<u>3,531,707</u>
PROGRAM REVENUES:					
Charges for services	\$ 46,130	1,018	-	-	51,450
Operating grants and contributions	\$ 299,043	545,942	222,986	528,100	1,034,203
Capital grants and contributions	\$ -	-	-	-	-
TOTAL PROGRAM REVENUES	<u>345,173</u>	<u>546,960</u>	<u>222,986</u>	<u>528,100</u>	<u>1,085,653</u>
NET PROGRAM (EXPENSE) REVENUES	\$ (1,647,133)	(1,864,171)	22,262	(32,015)	(2,446,054)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee	\$ 1,731,995	1,796,005	-	-	2,707,666
Miscellaneous	15,803	-	18,977	79,730	27,753
Gain (Loss) on the disposal of assets	-	-	-	-	-
Transfers in / out	<u>325,000</u>	-	-	-	-
TOTAL GENERAL REVENUES AND TRANSFERS	\$ <u>2,072,798</u>	<u>1,796,005</u>	<u>18,977</u>	<u>79,730</u>	<u>2,735,419</u>
CHANGE IN NET ASSETS	\$ 425,665	(68,166)	41,239	47,715	289,365
NET ASSETS, BEGINNING	\$ 357,265	469,634	-	-	(211,244)
RESTATEMENTS	\$ 4,779	-	-	-	-
NET ASSETS, BEGINNING RESTATED	\$ <u>362,044</u>	<u>469,634</u>	<u>-</u>	<u>-</u>	<u>(211,244)</u>
NET ASSETS, ENDING	\$ <u>787,709</u>	<u>401,468</u>	<u>41,239</u>	<u>47,715</u>	<u>78,121</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Activities - Charter Schools - continued

<u>School of Dreams Academy</u>	<u>South Valley Preparatory School</u>	<u>Taos Academy</u>	<u>Taos Integrated School of the Arts</u>	<u>Tierra Adentro</u>	<u>Total</u>
<u>1,219,356</u>	<u>130,027</u>	<u>1,134,807</u>	<u>32,294</u>	<u>143,482</u>	<u>29,419,152</u>
-	-	-	-	-	268,340
192,576	438,693	459,132	87,395	199,083	8,610,094
-	-	-	-	-	-
<u>192,576</u>	<u>438,693</u>	<u>459,132</u>	<u>87,395</u>	<u>199,083</u>	<u>8,878,434</u>
(1,026,780)	308,666	(675,675)	55,101	55,601	(20,541,440)
1,091,028	-	829,321	-	-	19,812,862
518	-	3,261	120	-	881,891
-	-	-	-	-	(8,454)
-	-	-	-	-	<u>325,000</u>
<u>1,091,546</u>	<u>-</u>	<u>832,582</u>	<u>120</u>	<u>-</u>	<u>21,011,299</u>
64,766	308,666	156,907	55,221	55,601	469,859
256,994	-	(6,431)	-	-	3,330,992
-	-	-	-	-	(14,218)
<u>256,994</u>	<u>-</u>	<u>(6,431)</u>	<u>-</u>	<u>-</u>	<u>3,316,774</u>
<u>321,760</u>	<u>308,666</u>	<u>150,476</u>	<u>55,221</u>	<u>55,601</u>	<u>3,786,633</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION
DEPARTMENT
Financial Statements for the
Year Ended June 30, 2010,
and Independent
Auditors' Report
Volume II of V**

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume II



Supplementary Information:

Combining Balance Sheet - Non-Major Governmental Funds.....	II-2 – II-7
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	II-8 – II-13
Special Revenue Funds – Non-Major - Statement of Revenues and Expenditures – Budget and Actual (Modified Accrual Basis).....	II-14 – II-35
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Outlay New School Development – Fund 10550	II-36
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1995 – Fund 29100.....	II-37
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1996 – Fund 38700.....	II-38
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1999 – Fund 46800.....	II-39
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54000.....	II-40
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54100.....	II-41
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54200.....	II-42
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1998 – Fund 54300.....	II-43
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Improvements – Fund 63400	II-44 – II-45
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Public School Capital Improvements – Fund 63500	II-46 – II-47
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Kindergarten Capital Funding – Fund 63600.....	II-48
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 1994 – Fund 66100.....	II-49
Schedule of Multi-year Budgeted Special Capital Outlay Fund - Special Capital Outlay 2004 – Fund 81600.....	II-50 – II-52
Schedule of Multi-year Budgeted Special Capital Outlay Fund (Major Fund) - Special Capital Outlay 2000 – Fund 81800.....	II-53 – II-55
Notes to Trust Funds and Agency Funds.....	II-56
Combining Statement of Net Assets – Fiduciary Funds	II-57
Combining Statement of Changes in Net Assets – Fiduciary Funds.....	II-58

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Table of Contents – Volume II - continued

Supplementary Information - continued:

Statement of Net Assets – Public Education Department	II-59
Statement of Net Assets – Division of Vocational Rehabilitation – Disability Determination Services	II-60
Statement of Activities – Public Education Department	II-61
Statement of Activities – Division of Vocational Rehabilitation – Disability Determination Services	II-62
Schedule of Changes in Assets and Liabilities – Agency Fund	II-63
Supplemental Schedule of Cash and Cash Equivalents	II-64 – II-65

Single Audit:

Schedule of Expenditures of Federal Awards	II-67 – II-69
Notes to Schedule of Expenditures of Federal Awards	II-70
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	II-71 – II-73
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	II-74 – II-76
Schedule of Findings and Questioned Costs	II-77 – II-142
Summary Schedule of Prior Year Audit Findings	II-143 – II-145
Exit Conference	II-146 – II-149

SUPPLEMENTARY INFORMATION

AS OF JUNE 30, 2010

	28000 Access-to- Telework Funds	00500 Schools in Need of Improvement	20160 Ed Tech Deficiency Correction Fund	33400 Family Youth
ASSETS:				
Investment in State General Fund				
Investment Pool	\$ 777,353	1,786,039	97,415	357,827
Federal grants receivable	-	-	-	-
Bond proceeds receivable	-	-	-	-
Due from state general fund	-	-	-	-
Due from other state agencies	-	320	-	62
Due from local education authorities	-	-	-	21,143
Due from external miscellaneous parties	3,173	-	-	-
Due from State Board of Finance	-	-	-	-
Due from other funds	-	-	-	29,505
Prepaid expenses	-	-	-	-
TOTAL ASSETS	\$ 780,526	1,786,359	97,415	408,537
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Accounts payable	\$ 38	929,124	-	85,576
Accrued payroll and taxes	-	-	-	-
Investment in State General Fund				
Investment Pool - overdraft	-	-	-	-
Due to state general fund	-	-	-	-
Due to other state agencies	26	-	-	-
Due to federal government	-	-	-	-
Due to local education authorities	-	-	-	-
Deferred revenue	584,327	-	-	-
Due to other funds	227	-	-	-
Other liabilities	-	-	-	-
TOTAL LIABILITIES	584,618	929,124	-	85,576
FUND BALANCES:				
Reserved	195,908	857,235	97,415	322,961
Unreserved	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	195,908	857,235	97,415	322,961
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 780,526	1,786,359	97,415	408,537

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Balance Sheet -
Non-Major Governmental Funds

39700	45800	47000	51300	56200	56800	58600
Educator Certification	Adult Basic Education	Charter School Stimulus	Pre- Kindergarten	Professional Development	Incentive for School Improvement	Reading Materials
399,801	122,564	13,760	3,875,277	486,098	117,473	155,564
-	-	-	-	-	-	-
-	25,733	-	-	-	-	-
-	-	-	300,132	72	17,217	-
-	-	-	-	101,029	-	-
11,706	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>411,507</u>	<u>148,297</u>	<u>13,760</u>	<u>4,175,409</u>	<u>587,199</u>	<u>134,690</u>	<u>155,564</u>
138,339	-	3,407	1,337,051	364,557	36,892	-
-	-	-	433,731	-	-	-
-	-	-	-	3,665	-	-
600	-	-	-	-	-	-
-	148,297	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	25,449	-	-	-
<u>138,939</u>	<u>148,297</u>	<u>3,407</u>	<u>1,796,231</u>	<u>368,222</u>	<u>36,892</u>	<u>-</u>
272,568	-	10,353	2,379,178	218,977	97,798	155,564
<u>272,568</u>	<u>-</u>	<u>10,353</u>	<u>2,379,178</u>	<u>218,977</u>	<u>97,798</u>	<u>155,564</u>
<u>411,507</u>	<u>148,297</u>	<u>13,760</u>	<u>4,175,409</u>	<u>587,199</u>	<u>134,690</u>	<u>155,564</u>

AS OF JUNE 30, 2010

	63300 Indian Education Act	63900 Kindergarten Plus	66000 Instructional Materials Adoption	66200 Education Technology	66900 School Library
ASSETS:					
Investment in State General Fund					
Investment Pool	\$ 3,766,427	88,366	352,664	672,079	124,634
Federal grants receivable	-	-	-	-	-
Bond proceeds receivable	-	-	-	-	-
Due from state general fund	-	-	-	-	-
Due from other state agencies	-	13	52	-	-
Due from local education authorities	-	-	-	-	-
Due from external miscellaneous parties	123,937	-	-	-	-
Due from State Board of Finance	-	-	-	-	-
Due from other funds	23,440	-	-	-	-
Prepaid expenses	-	-	-	-	-
TOTAL ASSETS	\$ 3,913,804	88,379	352,716	672,079	124,634
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 949,825	-	102,996	-	-
Accrued payroll and taxes	-	-	-	-	-
Investment in State General Fund					
Investment Pool - overdraft	-	-	-	-	-
Due to state general fund	-	-	-	-	-
Due to other state agencies	200	-	-	-	-
Due to federal government	-	-	-	-	-
Due to local education authorities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
TOTAL LIABILITIES	950,025	-	102,996	-	-
FUND BALANCES:					
Reserved	2,963,779	88,379	249,720	672,079	124,634
Unreserved	-	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	2,963,779	88,379	249,720	672,079	124,634
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 3,913,804	88,379	352,716	672,079	124,634

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Balance Sheet -
Non-Major Governmental Funds - continued

67400 Vocational Education Flowthrough	72500 Public Building Energy Efficiency Act	79000 Special Projects	85600 Instructional Materials Flowthrough	85700 State Support Reserve	88900 Transportation Emergency	10550 Special Capital Outlay - New School Development Fund
-	47	10,904,950	3,854,519	1,000,000	276,815	112,954
3,248,228	-	-	-	-	-	-
-	-	406,653	-	-	-	-
-	-	492	-	-	-	286,700
-	-	38,763	-	-	-	-
-	-	118,916	12,497	-	-	-
-	-	-	-	-	-	-
513,739	-	33,638	-	-	-	-
-	-	-	-	-	-	-
<u>3,761,967</u>	<u>47</u>	<u>11,503,412</u>	<u>3,867,016</u>	<u>1,000,000</u>	<u>276,815</u>	<u>399,654</u>
1,375,759	-	3,209,823	2,673,384	-	-	286,700
21,579	-	-	-	-	-	-
453,003	-	-	-	-	-	-
-	-	695,772	-	-	-	-
-	-	257,904	-	-	-	112,954
1,552,833	-	-	-	-	-	-
-	-	29,726	1,087	-	400	-
-	-	-	-	-	-	-
-	-	29,505	23,440	-	-	-
-	-	-	-	-	-	-
<u>3,403,174</u>	<u>-</u>	<u>4,222,730</u>	<u>2,697,911</u>	<u>-</u>	<u>400</u>	<u>399,654</u>
358,793	47	7,280,682	1,169,105	1,000,000	276,415	-
-	-	-	-	-	-	-
<u>358,793</u>	<u>47</u>	<u>7,280,682</u>	<u>1,169,105</u>	<u>1,000,000</u>	<u>276,415</u>	<u>-</u>
<u>3,761,967</u>	<u>47</u>	<u>11,503,412</u>	<u>3,867,016</u>	<u>1,000,000</u>	<u>276,815</u>	<u>399,654</u>

AS OF JUNE 30, 2010

	29100	38700	46800	54000	54100
	Special Capital Outlay-General Fund 1995	Special Capital Outlay-General Fund 1996	Special Capital Outlay-Severance Tax Bonds 1999	Special Capital Outlay-Severance Tax Bonds 1998	Special Capital Outlay-Severance Tax Bonds 1998
ASSETS:					
Investment in State General Fund					
Investment Pool	\$ -	-	-	-	-
Federal grants receivable	-	-	-	-	-
Bond proceeds receivable	-	-	-	-	-
Due from state general fund	-	-	-	-	-
Due from other state agencies	-	-	-	-	-
Due from local education authorities	-	-	-	-	-
Due from external miscellaneous parties	-	-	-	-	-
Due from State Board of Finance	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
TOTAL ASSETS	\$ -	-	-	-	-
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	-	-	-	-	-
Accrued payroll and taxes	-	-	-	-	-
Investment in State General Fund					
Investment Pool - overdraft	-	-	-	-	-
Due to state general fund	-	-	-	-	-
Due to other state agencies	-	-	-	-	-
Due to federal government	-	-	-	-	-
Due to local education authorities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Other liabilities	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES:					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ -	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Balance Sheet -
Non-Major Governmental Funds - continued

54200	54300	63500	63600	66100	81300	81600	Total
Special Capital Outlay-Severance Tax Bonds 1998	Special Capital Outlay-Severance Tax Bonds 1998	Public School Capital Outlay	Kindergarten Capital Outlay	Special Capital Outlay-Severance Tax Bonds 1994	Special Capital Outlay-Severance Tax Bonds 2000	Special Capital Outlay Severance Tax Bonds 2004	
-	-	2,479,180	-	53,339	-	-	31,875,145
-	-	-	-	-	-	-	3,248,228
-	-	-	-	-	-	-	-
-	-	344,900	-	-	-	2,274,184	432,386
-	-	-	-	-	-	-	3,224,144
-	-	12,100	-	-	244,073	-	417,108
-	-	-	-	-	-	26,117	296,346
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	600,322
-	-	-	-	-	-	-	-
-	-	<u>2,836,180</u>	-	<u>53,339</u>	<u>244,073</u>	<u>2,300,301</u>	<u>40,093,679</u>
-	-	336,873	-	-	-	711,900	12,542,244
-	-	-	-	-	-	-	455,310
-	-	-	-	-	219,621	527,277	1,199,901
-	-	-	-	-	-	-	699,437
-	-	132,614	-	53,339	-	42,439	600,076
-	-	-	-	-	-	-	1,701,130
-	-	-	-	-	-	-	31,213
-	-	-	-	-	-	-	584,327
-	-	-	-	-	-	-	78,621
-	-	-	-	-	-	-	-
-	-	469,487	-	53,339	219,621	1,281,616	17,892,259
-	-	2,366,693	-	-	24,452	1,018,685	22,201,420
-	-	-	-	-	-	-	-
-	-	<u>2,366,693</u>	-	-	<u>24,452</u>	<u>1,018,685</u>	<u>22,201,420</u>
-	-	-	-	-	-	-	-
-	-	<u>2,836,180</u>	-	<u>53,339</u>	<u>244,073</u>	<u>2,300,301</u>	<u>40,093,679</u>

YEAR ENDED JUNE 30, 2010

	28000 Access-to- Telework Funds	00500 Schools in Need of Improvement	20160 Ed Tech Deficiency Correction Fund	33400 Family Youth Fund
REVENUES:				
Federal grants	\$ 37,207	-	-	-
Other revenue	<u>7,900</u>	<u>267,274</u>	<u>-</u>	<u>1,071</u>
TOTAL REVENUES	45,107	267,274	-	1,071
EXPENDITURES:				
Current:				
Education	-	2,848,514	29,678	692,776
Health and welfare	38,878	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	38,878	2,848,514	29,678	692,776
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,229	(2,581,240)	(29,678)	(691,705)
OTHER FINANCING SOURCES (USES):				
Transfers in - State General Fund appropriations	-	2,500,000	-	397,700
Appropriations funded with State Severance Bond Proceeds	-	-	-	-
Other state funds	-	-	-	-
Transfers out - Reversions to State General Fund - FY10	-	(162,500)	-	(25,900)
Other transfers in (out)	<u>-</u>	<u>-</u>	<u>(973,000)</u>	<u>29,505</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,337,500</u>	<u>(973,000)</u>	<u>401,305</u>
NET CHANGE IN FUND BALANCE	6,229	(243,740)	(1,002,678)	(290,400)
FUND BALANCE (DEFICIT), BEGINNING	<u>189,679</u>	<u>1,100,975</u>	<u>1,100,093</u>	<u>613,361</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ 195,908</u>	<u>857,235</u>	<u>97,415</u>	<u>322,961</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds

39700 Educator Certification Fund	45800 Adult Basic Education	47000 Charter School Stimulus	51300 Pre- Kindergarten Fund	56200 Professional Development	56800 Incentive for School Improvement	58600 Reading Materials Fund	63300 Indian Education Act
4,206	-	-	-	-	-	-	-
<u>974,414</u>	-	29,039	14,742	934	204	-	523,440
978,620	-	29,039	14,742	934	204	-	523,440
1,183,851	-	658,342	9,391,764	364,558	76,566	-	3,329,354
-	-	-	-	-	-	-	-
<u>-</u>	-	-	-	-	-	-	-
1,183,851	-	658,342	9,391,764	364,558	76,566	-	3,329,354
(205,231)	-	(629,303)	(9,377,022)	(363,624)	(76,362)	-	(2,805,914)
-	-	-	8,452,100	-	-	-	2,250,000
-	-	-	-	-	-	-	-
-	-	-	1,500,000	-	-	-	-
-	-	-	(549,400)	-	-	-	-
<u>-</u>	-	-	<u>(270,000)</u>	-	-	-	-
-	-	-	9,132,700	-	-	-	2,250,000
(205,231)	-	(629,303)	(244,322)	(363,624)	(76,362)	-	(555,914)
<u>477,799</u>	-	639,656	2,623,500	582,601	174,160	155,564	3,519,693
<u>272,568</u>	-	<u>10,353</u>	<u>2,379,178</u>	<u>218,977</u>	<u>97,798</u>	<u>155,564</u>	<u>2,963,779</u>

YEAR ENDED JUNE 30, 2010

	63900 Kindergarten Plus Fund	66000 Instructional Materials Adoption	66200 Education Technology Fund	66900 School Library Fund	67400 Vocational Education Flowthrough
REVENUES:					
Federal grants	\$ -	-	-	-	8,874,135
Other revenue	<u>125</u>	<u>71,145</u>	-	-	<u>24,522</u>
TOTAL REVENUES	125	71,145	-	-	8,898,657
EXPENDITURES:					
Current:					
Education	-	142,841	2,216,676	-	8,539,864
Health and welfare	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	-	142,841	2,216,676	-	8,539,864
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	125	(71,696)	(2,216,676)	-	358,793
OTHER FINANCING SOURCES (USES):					
Transfers in - State General Fund appropriations	-	-	2,400,000	-	-
Appropriations funded with State					
Severance Bond Proceeds	-	-	-	-	-
Other state funds	-	-	-	-	-
Transfers out - Reversions to					
State General Fund - FY10	-	-	(156,000)	-	-
Other transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>2,244,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	125	(71,696)	27,324	-	358,793
FUND BALANCE (DEFICIT), BEGINNING	<u>88,254</u>	<u>321,416</u>	<u>644,755</u>	<u>124,634</u>	<u>-</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ 88,379</u>	<u>249,720</u>	<u>672,079</u>	<u>124,634</u>	<u>358,793</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds - continued

72500 Public Building Energy Efficiency Act	79000 Special Projects Fund	85600 Instructional Materials Flowthrough	85700 State Support Reserve	88900 Transportation Emergency Fund	10550 Capital Outlay New School Development Fund	29100 Special Capital Outlay 1995	38700 Special Capital Outlay 1996
-	-	-	-	-	-	-	-
-	80,937	36,603	-	-	-	-	-
-	80,937	36,603	-	-	-	-	-
302,153	33,475,320	15,617,347	-	-	2,779,931	-	-
-	-	-	-	-	-	-	-
302,153	33,475,320	15,617,347	-	-	2,779,931	-	-
(302,153)	(33,394,383)	(15,580,744)	-	-	(2,779,931)	-	-
302,200	23,697,100	16,230,400	-	-	-	-	-
-	-	-	-	-	2,779,931	-	-
-	263,638	-	-	-	-	-	-
-	(2,236,172)	(1,055,000)	-	-	-	-	-
-	(1,316)	(1,900,000)	-	-	-	-	-
302,200	21,723,250	13,275,400	-	-	2,779,931	-	-
47	(11,671,133)	(2,305,344)	-	-	-	-	-
-	18,951,815	3,474,449	1,000,000	276,415	-	-	-
47	7,280,682	1,169,105	1,000,000	276,415	-	-	-

YEAR ENDED JUNE 30, 2010

	46800 Special Capital Outlay 1999	54000 Special Capital Outlay 1998	54100 Special Capital Outlay 1998	54200 Special Capital Outlay 1998
REVENUES:				
Federal grants	\$ -	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Education	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in - State General Fund appropriations	-	-	-	-
Appropriations funded with State Severance Bond Proceeds	-	-	-	-
Other state funds	-	-	-	-
Transfers out - Reversions to State General Fund - FY10	-	-	-	-
Other transfers in (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds - continued

54300 Special Capital Outlay 1998	63500 Public School Capital Improvements	63600 Kindergarten Capital Funding	66100 Special Capital Outlay 1994	81300 Special Capital Outlay 2000	81600 Special Capital Outlay 2004	Total
-	-	-	-	-	-	8,915,548
-	-	-	-	-	-	2,032,350
-	-	-	-	-	-	10,947,898
-	493,817	-	-	-	14,625,351	96,768,704
-	-	-	-	-	-	38,878
-	-	-	-	-	-	-
-	493,817	-	-	-	14,625,351	96,807,581
-	(493,817)	-	-	-	(14,625,351)	(85,859,683)
-	-	-	-	-	-	56,229,500
-	1,060,569	-	-	-	15,508,281	19,348,781
-	-	-	-	-	-	1,763,638
-	(129,540)	-	-	-	(9,346)	(4,323,858)
-	140,537	-	-	-	145,101	(2,829,173)
-	1,071,566	-	-	-	15,644,036	70,188,888
-	577,749	-	-	-	1,018,685	(15,670,795)
-	1,788,944	-	-	24,452	-	37,872,215
-	2,366,693	-	-	24,452	1,018,685	22,201,420

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

28000 - ACCESS-TO-TELEWORK FUNDS

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	37,207	37,207
State General Fund	-	-	-	-
Other State Funds	-	-	7,900	7,900
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	<u>53,000</u>	<u>53,000</u>	<u>-</u>	<u>(53,000)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	53,000	53,000	45,107	(7,893)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	15,000	15,000	13,647	1,353
Contractual Services	5,000	5,000	-	5,000
Other	33,000	33,000	25,231	7,769
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total health and welfare	<u>53,000</u>	<u>53,000</u>	<u>38,878</u>	<u>14,122</u>
TOTAL EXPENDITURES	<u>53,000</u>	<u>53,000</u>	<u>38,878</u>	<u>14,122</u>
NET CHANGE IN FUND BALANCE			\$ <u>6,229</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	00500 - SCHOOLS IN NEED OF IMPROVEMENT FUND			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	2,337,500	2,337,500	2,500,000	162,500
Other State Funds	-	264,421	267,274	2,853
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	599,427	-	(599,427)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	2,337,500	3,201,348	2,767,274	(434,074)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	25,000	25,000	-	25,000
Contractual Services	50,000	274,400	205,333	69,067
Other	2,262,500	2,901,948	2,643,181	258,767
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	162,500	(162,500)
Total education	2,337,500	3,201,348	3,011,014	190,334
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	2,337,500	3,201,348	3,011,014	190,334
NET CHANGE IN FUND BALANCE			\$ (243,740)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	20160 - ED TECH DEFICIENCY CORRECTION FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	973,000	973,000	29,678	943,322
Other Financing Uses	-	-	973,000	(973,000)
Non-Budgeted (Reversions)	-	-	-	-
Total education	973,000	973,000	1,002,678	(29,678)
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	973,000	973,000	1,002,678	(29,678)
NET CHANGE IN FUND BALANCE			\$ (1,002,678)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	33400 - FAMILY YOUTH			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	371,800	371,800	397,700	25,900
Other State Funds	-	-	1,071	1,071
Internal Service Funds / Inter-Agency Transfers	-	-	29,505	29,505
Budgeted Fund Balance	-	613,361	-	(613,361)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	371,800	985,161	428,276	(556,885)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	40,000	70,000	70,000	-
Other	331,800	915,161	622,776	292,385
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	25,900	(25,900)
Total education	371,800	985,161	718,676	266,485
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	371,800	985,161	718,676	266,485
NET CHANGE IN FUND BALANCE			\$ (290,400)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

39700 - EDUCATOR CERTIFICATION FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	4,206	4,206
State General Fund	-	-	-	-
Other State Funds	668,700	1,271,200	974,414	(296,786)
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	<u>305,100</u>	<u>305,100</u>	<u>-</u>	<u>(305,100)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	973,800	1,576,300	978,620	(597,680)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	494,300	819,100	619,870	199,230
Contractual Services	82,000	380,200	240,008	140,192
Other	397,500	377,000	323,973	53,027
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total education	973,800	1,576,300	1,183,851	392,449
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total health and welfare	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>973,800</u>	<u>1,576,300</u>	<u>1,183,851</u>	<u>392,449</u>
NET CHANGE IN FUND BALANCE			\$ <u><u>(205,231)</u></u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	45800 - ADULT BASIC EDUCATION			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	47000 - CHARTER SCHOOL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	28,948	29,039	91
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	639,656	-	(639,656)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	668,604	29,039	(639,565)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	668,603	658,342	10,261
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	668,603	658,342	10,261
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	668,603	658,342	10,261
NET CHANGE IN FUND BALANCE			\$ (629,303)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

51300 - PRE-KINDERGARTEN FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	7,902,700	7,902,700	8,452,100	549,400
Other State Funds	1,500,000	1,500,000	1,514,742	14,742
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	<u>2,623,500</u>	-	<u>(2,623,500)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	9,402,700	12,026,200	9,966,842	(2,059,358)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	489,700	347,451	217,474	129,977
Contractual Services	8,818,700	10,698,643	8,780,330	1,918,313
Other	94,300	730,106	393,960	336,146
Other Financing Uses	-	250,000	270,000	(20,000)
Non-Budgeted (Reversions)	-	-	<u>549,400</u>	<u>(549,400)</u>
Total education	9,402,700	12,026,200	10,211,164	1,815,036
Health and welfare:	-	-	-	-
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	<u>9,402,700</u>	<u>12,026,200</u>	<u>10,211,164</u>	<u>1,815,036</u>
NET CHANGE IN FUND BALANCE			\$ <u>(244,322)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

56200 - PROFESSIONAL DEVELOPMENT

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	934	934
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	<u>501,159</u>	-	<u>(501,159)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	501,159	934	(500,225)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	501,159	364,558	136,601
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	501,159	364,558	136,601
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	<u>501,159</u>	<u>364,558</u>	<u>136,601</u>
NET CHANGE IN FUND BALANCE			\$ <u><u>(363,624)</u></u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	56800 - INCENTIVE FOR SCHOOL IMPROVEMENT			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	204	204
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	100,000	-	(100,000)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	100,000	204	(99,796)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	100,000	76,566	23,434
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	100,000	76,566	23,434
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	100,000	76,566	23,434
NET CHANGE IN FUND BALANCE			\$ (76,362)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

58600 - READING MATERIALS FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	63300 - INDIAN EDUCATION ACT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	2,250,000	2,250,000	2,250,000	-
Other State Funds	-	500,000	523,440	23,440
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	3,007,500	-	(3,007,500)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	2,250,000	5,757,500	2,773,440	(2,984,060)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	321,700	321,700	292,288	29,412
Contractual Services	1,000,000	3,685,300	2,003,617	1,681,683
Other	928,300	1,750,500	1,033,449	717,051
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	2,250,000	5,757,500	3,329,354	2,428,146
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	2,250,000	5,757,500	3,329,354	2,428,146
NET CHANGE IN FUND BALANCE			\$ (555,914)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	63900 - KINDERGARTEN PLUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	125	125
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	125	125
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ 125	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	66000 - INSTRUCTIONAL MATERIALS ADOPTION			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	71,145	71,145
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	263,792	-	(263,792)
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	263,792	71,145	(192,647)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	220,792	102,215	118,577
Other	-	43,000	40,626	2,374
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	263,792	142,841	120,951
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	263,792	142,841	120,951
NET CHANGE IN FUND BALANCE			\$ (71,696)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	66200 - EDUCATION TECHNOLOGY FUND			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	2,244,000	2,244,000	2,400,000	156,000
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	2,244,000	2,244,000	2,400,000	156,000
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	2,244,000	2,244,000	2,216,676	27,324
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	156,000	(156,000)
Total education	2,244,000	2,244,000	2,372,676	(128,676)
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	2,244,000	2,244,000	2,372,676	(128,676)
NET CHANGE IN FUND BALANCE			\$ 27,324	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	66900 - SCHOOL LIBRARY FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	67400 - VOCATIONAL EDUCATION FLOWTHROUGH			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ 12,225,000	12,225,000	8,874,135	(3,350,865)
State General Fund	-	-	-	-
Other State Funds	-	-	24,522	24,522
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	12,225,000	12,225,000	8,898,657	(3,326,343)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	12,225,000	12,225,000	8,539,864	3,685,136
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	12,225,000	12,225,000	8,539,864	3,685,136
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	12,225,000	12,225,000	8,539,864	3,685,136
NET CHANGE IN FUND BALANCE			\$ 358,793	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	72500 - PUBLIC BUILDING ENERGY EFFICIENCY ACT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	302,200	302,200	302,200	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	302,200	302,200	302,200	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	302,200	302,200	302,153	47
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	302,200	302,200	302,153	47
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	302,200	302,200	302,153	47
NET CHANGE IN FUND BALANCE			\$ 47	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

79000 - SPECIAL PROJECTS FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	22,156,700	22,156,700	23,697,100	1,540,400
Other State Funds	250,000	250,000	344,575	94,575
Internal Service Funds / Inter-Agency Transfers	-	-	28,189	28,189
Budgeted Fund Balance	<u>2,088,405</u>	<u>14,091,924</u>	<u>-</u>	<u>(14,091,924)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	24,495,105	36,498,624	24,069,864	(12,428,760)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	490,600	472,750	365,624	107,126
Contractual Services	7,379,228	9,838,079	8,927,035	911,044
Other	16,022,935	25,286,393	24,182,661	1,103,732
Other Financing Uses	-	-	29,505	(29,505)
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>2,236,172</u>	<u>(2,236,172)</u>
Total education	23,892,763	35,597,222	35,740,997	(143,775)
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total health and welfare	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>23,892,763</u>	<u>35,597,222</u>	<u>35,740,997</u>	<u>(143,775)</u>
NET CHANGE IN FUND BALANCE			\$ <u>(11,671,133)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	85600 - INSTRUCTIONAL MATERIALS FLOWTHROUGH			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	15,175,400	15,175,400	16,230,400	1,055,000
Other State Funds	-	-	36,603	36,603
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	<u>3,474,448</u>	-	<u>(3,474,448)</u>
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	15,175,400	18,649,848	16,267,003	(2,382,845)
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	15,175,400	16,749,848	15,617,347	1,132,501
Other Financing Uses	-	1,900,000	1,900,000	-
Non-Budgeted (Reversions)	-	-	<u>1,055,000</u>	<u>(1,055,000)</u>
Total education	15,175,400	18,649,848	18,572,347	77,501
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	<u>15,175,400</u>	<u>18,649,848</u>	<u>18,572,347</u>	<u>77,501</u>
NET CHANGE IN FUND BALANCE			\$ <u>(2,305,344)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	85700 - STATE SUPPORT RESERVE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Special Revenue Funds - Non-Major -
Schedule of Revenues and Expenditures -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	88900 - TRANSPORTATION EMERGENCY FUND			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal Funds	\$ -	-	-	-
State General Fund	-	-	-	-
Other State Funds	-	-	-	-
Internal Service Funds / Inter-Agency Transfers	-	-	-	-
Budgeted Fund Balance	-	-	-	-
TOTAL REVENUES AND BUDGETED FROM FUND BALANCE	-	-	-	-
EXPENDITURES:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total education	-	-	-	-
Health and welfare:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Non-Budgeted (Reversions)	-	-	-	-
Total health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Public School Capital Outlay New School Development - Fund 10550

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2001, CH 338 STBs	\$ 3,000,000	-	2,513,930	2,513,930
Transfers	-	-	92,256	92,256
TOTAL CASH RECEIPTS	<u>\$ 3,000,000</u>	<u>-</u>	<u>2,606,186</u>	2,606,186
CASH OUTLAYS:				
Laws of 2001, CH 338 STBs	\$ 3,000,000	-	2,493,232	2,493,232
Transfers	-	-	-	-
TOTAL CASH OUTLAYS	<u>3,000,000</u>	<u>-</u>	<u>2,493,232</u>	<u>2,493,232</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>-</u>	<u>112,954</u>	112,954
RECEIVABLES, June 30, 2010				286,700
PAYABLES, June 30, 2010				<u>(399,654)</u>
FUND BALANCE, June 30, 2010			\$	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1995 - Fund 29100

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1995, CH 222 (General Fund)	\$ 9,244,260	9,208,640	-	9,208,640
Art in Public Places	-	35,620	-	35,620
Laws of 1995, CH 222 (Severance Tax Bonds)	250,000	239,218	-	239,218
Laws of 1995, CH 218 (Severance Tax Bonds)	100,000	100,000	-	100,000
TOTAL CASH RECEIPTS	9,594,260	9,583,478	-	9,583,478
CASH OUTLAYS:				
Capital projects funded in fiscal year 1995	9,594,260	9,455,268	-	9,455,268
Art in Public Places	-	35,620	-	35,620
DFA Reversions	-	92,590	-	92,590
TOTAL CASH OUTLAYS	9,594,260	9,583,478	-	9,583,478
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1996 - Fund 38700

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1996, CH 4 (Severance Tax Bonds)	\$ 3,738,000	3,704,768	-	3,704,768
Laws of 1996, CH 4 (General Fund)	3,117,500	3,117,500	-	3,117,500
TOTAL CASH RECEIPTS	6,855,500	6,822,268	-	6,822,268
CASH OUTLAYS:				
Laws of 1996, CH 4 (Severance Tax Bonds)	3,738,000	3,686,562	-	3,686,562
Laws of 1996, CH 4 (General Fund)	3,117,500	2,960,220	-	2,960,220
Art in Public Places	-	6,500	-	6,500
DFA Reversions	-	150,780	-	150,780
Refund to BoF	-	18,206	-	18,206
TOTAL CASH OUTLAYS	6,855,500	6,822,268	-	6,822,268
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1999 - Fund 46800

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1996, CH 2 (Severance Tax Bonds)	\$ 12,617,826	11,927,741	-	11,927,741
Increase in Authorization (A990775)	25,000	249,373	-	249,373
Reduction in Authorization	(300,000)	-	-	-
Reduction in Authorization	(150,000)	(124,510)	-	(124,510)
TOTAL CASH RECEIPTS	12,192,826	12,052,604	-	12,052,604
CASH OUTLAYS:				
Laws of 1999, CH 2 (Severance Tax Bonds)	12,617,826	11,919,731	-	11,919,731
Increase in Authorization (A990775)	250,000	249,373	-	249,373
Reduction in Authorization	(300,000)	-	-	-
Reduction in Authorization	(150,000)	(124,510)	-	(124,510)
Refund to BoF	-	8,010	-	8,010
TOTAL CASH OUTLAYS	12,417,826	12,052,604	-	12,052,604
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ (225,000)	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1998 - Fund 54000

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1998, CH 7 (Severance Tax Bonds)	\$ 5,881,410	5,641,005	-	5,641,005
Transfers	-	138,245	-	138,245
TOTAL CASH RECEIPTS	5,881,410	5,779,250	-	5,779,250
CASH OUTLAYS:				
Laws of 1998, CH 7 (Severance Tax Bonds)	5,881,410	5,638,055	-	5,638,055
Transfers	-	138,245	-	138,245
Refund to BoF	-	2,950	-	2,950
TOTAL CASH OUTLAYS	5,881,410	5,779,250	-	5,779,250
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1998 - Fund 54100

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1998, CH 118 (Severance Tax Bonds)	\$ 5,957,625	5,895,737	-	5,895,737
TOTAL CASH RECEIPTS	5,957,625	5,895,737	-	5,895,737
CASH OUTLAYS:				
Laws of 1998, CH 118 (Severance Tax Bonds)	5,957,625	5,813,308	-	5,813,308
Refund to BoF	-	82,429	-	82,429
TOTAL CASH OUTLAYS	5,957,625	5,895,737	-	5,895,737
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1998 - Fund 54200

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1998, CH 7 (Severance Tax Bonds)	\$ 5,834,300	5,705,503	-	5,705,503
Transfers	-	19,546	-	19,546
TOTAL CASH RECEIPTS	5,834,300	5,725,049	-	5,725,049
CASH OUTLAYS:				
Laws of 1998, CH 7 (Severance Tax Bonds)	5,834,300	5,705,469	-	5,705,469
Transfers	-	19,546	-	19,546
Refund to BoF	-	34	-	34
TOTAL CASH OUTLAYS	5,834,300	5,725,049	-	5,725,049
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1998 - Fund 54300

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1998, CH 118 (Severance Tax Bonds)	\$ 3,268,825	3,230,300	-	3,230,300
TOTAL CASH RECEIPTS	3,268,825	3,230,300	-	3,230,300
CASH OUTLAYS:				
Laws of 1998, CH 118 (Severance Tax Bonds)	3,268,825	3,225,262	-	3,225,262
Refund to BoF	-	5,038	-	5,038
TOTAL CASH OUTLAYS	3,268,825	3,230,300	-	3,230,300
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Public School Capital Improvements - Fund 63400

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2001, CH 338 (SSTB 2009-2010)	\$ 18,500,000	-	5,050,380	5,050,380
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	3,716,696	7,277,570	10,994,267
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	13,858,546	3,283,677	17,142,223
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	16,014,175	1,109,725	17,123,900
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	17,540,019	(485,753)	17,054,266
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,152,801	(128,342)	13,024,459
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,485,969	34,076	13,520,045
Laws of 2001, CH 338 (SSTB 2002-2003)	11,300,000	11,290,626	192,976	11,483,602
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	8,076,059	(435,919)	7,640,140
Laws of 2001, CH 64 (General Fund 2001-2002)	4,500,000	4,500,000	-	4,500,000
Laws of 2000, CH 15 (General Fund 2000-2001)	5,732,800	5,732,800	-	5,732,800
Laws of 1999, CH 3 (General Fund 1999-2000)	6,595,500	6,595,500	-	6,595,500
Refund	-	34,415	-	34,415
Laws of 1998, CH 116 (General Fund 1998-1999)	7,200,000	7,200,000	-	7,200,000
Laws of 1998, CH 3 (General Fund 1997-1998)	6,100,000	6,100,000	-	6,100,000
Laws of 1996, CH 13 (General Obligation Bonds 1996-1997)	5,000,000	4,995,360	-	4,995,360
Laws of 1995, CH 13 (SB9 1995-1996)	7,000,000	7,000,000	-	7,000,000
Laws of 1994, CH 148 (SB9 1994-1995)	9,600,000	9,600,000	-	9,600,000
Transfers	-	664,422	191,824	856,245
Refunds	-	301,606	439,889	741,495
TOTAL CASH RECEIPTS	196,430,234	149,858,994	16,530,103	166,389,096
CASH OUTLAYS:				
Laws of 2001, CH 338 (SSTB 2009-2010)	18,500,000	-	5,050,380	5,050,380
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	3,716,697	7,384,085	11,100,781
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	13,683,172	3,476,096	17,159,267
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	16,195,270	1,109,725	17,304,995
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	16,879,392	192,868	17,072,260
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,024,458	30,479	13,054,937
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,358,038	33,336	13,391,374
Laws of 2001, CH 338 (SSTB 2002-2003)	11,300,000	11,164,266	227,714	11,391,980
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	8,188,533	-	8,188,533
Laws of 2001, CH 64 (General Fund 2001-2002)	4,500,000	4,500,000	-	4,500,000
Laws of 2000, CH 15 (General Fund 2000-2001)	5,732,800	3,625,384	-	3,625,384
Laws of 1999, CH 3 (General Fund 1999-2000)	6,595,500	5,410,215	1,136	5,411,351
Laws of 1998, CH 116 (General Fund 1998-1999)	7,200,000	6,047,428	13,959	6,061,387
Laws of 1998, CH 3 (General Fund 1997-1998)	6,100,000	6,091,362	8,637	6,099,999

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Public School Capital Improvements - Fund 63400 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS - continued:				
Laws of 1996, GOB, 1996-97	5,000,000	6,337,292	-	6,337,292
Laws of 1995, CH 13 (SB9 1995-1996)	7,000,000	7,374,812	-	7,374,812
Laws of 1994, CH 148 (SB9 1994-1995)	9,600,000	7,962,878	-	7,962,878
Transfers	-	455,876	278,748	734,624
Refunds	-	491,693	-	491,693
	196,430,234	144,506,766	17,807,162	162,313,928
TOTAL CASH OUTLAYS				
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	5,352,228	(1,277,060)	4,075,168
RECEIVABLES, June 30, 2010				5,383,633
PAYABLES, June 30, 2010				(2,495,816)
FUND BALANCE, June 30, 2010			\$	6,962,985

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Public School Capital Outlay Improvement - Fund 63500

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2001, CH 338 (STB 04-05)	\$ 16,969,586	12,834,192	136,816	12,971,008
2003-04 Severance Tax Bonds	86,087,753	84,276,371	578,853	84,855,225
2002-03 Severance Tax Bonds	95,676,311	95,634,965	-	95,634,965
Laws of 2002, CH 44 (General Fund-1420)	1,000,000	1,000,000	-	1,000,000
2001-02 Severance Tax Bonds	99,140,730	99,129,670	-	99,129,670
Lottery 2001-02	3,859,271	423,790	-	423,790
2000-01, General Obligation Bonds	5,000,000	4,839,047	-	4,839,047
2000-01, Severance Tax Bonds	49,600,000	49,584,730	-	49,584,730
Refund	-	(450,707)	-	(450,707)
Lottery allocation 00-01	15,000,000	14,005,489	-	14,005,489
Laws of 1999 (Severance Tax Bonds -9905)	23,000,000	22,999,999	-	22,999,999
Lottery 99-00 allocation (9904)	10,000,000	10,000,000	-	10,000,000
Lottery 99-00 allocation	-	4,883,802	-	4,883,802
Laws of 1998, CH 7 and 118 (STBs 9803 & 9804)	6,400,000	6,385,949	-	6,385,949
Lottery 98-99 allocation (9806)	13,000,000	11,908,015	-	11,908,015
Laws of 1998, CH 5 (General Fund 9805)	5,000,000	5,000,000	-	5,000,000
Laws of 1998, CH 87 (G.O.B. 9807)	10,000,000	9,883,957	-	9,883,957
Laws of 1996, CH 13 (G.O.B. 9670)	21,500,000	21,499,121	-	21,499,121
Lottery 97-98 allocation (9802)	17,500,000	10,154,830	-	10,154,830
Laws of 1996, CH 5 (General Fund 9672)	2,000,000	2,000,000	-	2,000,000
Laws of 1996, CH 14 (STB - 9671)	8,000,000	8,000,000	-	8,000,000
Lottery 96-97 allocations	7,194,579	7,194,579	-	7,194,579
Lottery 96-97 allocation	-	7,983,327	-	7,983,327
Laws of 1995, CH 222 (STB)	20,000,000	19,996,619	-	19,996,619
Laws of 1994, CH 147 (General Fund 9429)	10,000,000	10,000,000	-	10,000,000
Refund to Bof	-	138,901	129,540	268,441
Transfers	-	-	-	-
Reversions	-	-	-	-
TOTAL CASH RECEIPTS	525,928,230	519,306,646	845,209	520,151,855

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Public School Capital Outlay Improvement - Fund 63500 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS:				
Laws of 2001, CH 338 (STB 04-05)	\$ 16,969,586	10,354,928	144,845	10,499,772
Refund	-	7,969	-	7,969
2003-04 Severance Tax Bonds	86,087,753	77,983,839	-	77,983,839
2002-03 Severance Tax Bonds	95,676,311	102,374,067	-	102,374,067
Refund	-	19,041	-	19,041
Laws of 2002, CH 44 (General Fund-1420)	1,000,000	914,800	-	914,800
2001-02 Severance Tax Bonds	99,140,730	99,476,105	-	99,476,105
Lottery 2001-02	3,859,271	4,008,200	-	4,008,200
2000-01, General Obligation Bonds	5,000,000	5,026,023	-	5,026,023
2000-01, Severance Tax Bonds	49,600,000	49,134,021	-	49,134,021
Lottery allocation 00-01	15,000,000	14,233,863	-	14,233,863
Laws of 1999 (STB - 9905)	23,000,000	23,000,000	-	23,000,000
Lottery 99-00 allocation (9904)	10,000,000	9,997,194	-	9,997,194
Laws of 1998, CH 7 and 118 (STBs 9803 & 9804)	6,400,000	6,310,471	-	6,310,471
Lottery 98-99 allocation (9806)	13,000,000	13,036,343	-	13,036,343
Laws of 1998, CH 5 (General Fund 9805)	5,000,000	5,047,630	-	5,047,630
Laws of 1998, CH 87 (G.O.B. 9807)	10,000,000	10,003,581	-	10,003,581
Laws of 1996, CH 13 (G.O.B. 9670)	21,500,000	21,499,121	-	21,499,121
Lottery 97-98 allocation (9802)	17,500,000	17,497,199	-	17,497,199
Laws of 1996, CH 5 (General Fund 9672)	2,000,000	2,000,001	-	2,000,001
Laws of 1996, CH 14 (STB - 9671)	8,000,000	8,000,000	-	8,000,000
Lottery 96-97 allocations	7,194,579	7,145,925	-	7,145,925
Laws of 1995, CH 222 (STB)	20,000,000	19,996,618	-	19,996,618
Laws of 1994, CH 147 (General Fund 9429)	10,000,000	10,000,001	-	10,000,001
Transfer	-	460,892	-	460,892
TOTAL CASH OUTLAYS	<u>525,928,230</u>	<u>517,527,831</u>	<u>144,845</u>	517,672,676
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ <u>-</u>	<u>1,778,815</u>	<u>700,365</u>	2,479,179
RECEIVABLES, June 30, 2010				357,000
PAYABLES, June 30, 2010				<u>(469,486)</u>
FUND BALANCE, June 30, 2010			\$	<u>2,366,693</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Kindergarten Capital Funding - Fund 63600

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2001, SB 1167, CH 338	\$ 5,000,000	5,000,000	-	5,000,000
Laws of 2002, CH 93	5,000,000	4,455,787	-	4,455,787
Transfers	-	4,486	-	4,486
TOTAL CASH RECEIPTS	10,000,000	9,460,273	-	9,460,273
CASH OUTLAYS:				
Laws of 2001, SB 167, CH 338	5,000,000	4,671,119	-	4,671,119
Laws of 2002, CH 93	5,000,000	4,455,788	-	4,455,788
Transfers	-	4,486	-	4,486
DFA reversions	-	328,880	-	328,880
TOTAL CASH OUTLAYS	10,000,000	9,460,273	-	9,460,273
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	-	-	-
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				-
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 1994 - Fund 66100

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 1994, CH 148 (STB)	\$ 11,909,000	11,860,150	26,670	11,886,820
Art in Public Places	-	-	-	-
Reversions	-	-	-	-
TOTAL CASH RECEIPTS	11,909,000	11,860,150	26,670	11,886,820
CASH OUTLAYS:				
Laws of 1994, CH 148 (STB)	11,909,000	11,833,480	-	11,833,480
Art in Public Places	-	-	-	-
Reversions	-	-	-	-
TOTAL CASH OUTLAYS	11,909,000	11,833,480	-	11,833,480
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	26,670	26,670	53,340
RECEIVABLES, June 30, 2010				-
PAYABLES, June 30, 2010				(53,340)
FUND BALANCE, June 30, 2010			\$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 2004 - Fund 81600

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2010, CH 4, Sec 34 (STB)	\$ 100,000	-	-	-
BOF Reversions	(100,000)	-	-	-
Laws of 2009, CH 7 (STB)	2,873,516	-	-	-
BOF Reversions	(2,873,516)	-	-	-
Laws of 2009, CH 125, Sec 16 (STB)	7,000,000	-	4,402,297	4,402,297
BOF Reversions	(2,000,000)	-	-	-
Laws of 2008, Ch 80 (GOB)	3,000,000	-	763,251	763,251
Laws of 2008, CH 92 (STB)	12,828,469	4,448,869	3,419,377	7,868,246
Change in Authorization FY2010	700,000	-	-	-
Change in Authorization FY2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	-	-	-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	42,469	254,531	297,000
Art in Public Places	(3,000)	-	-	-
Laws of 2006, CH 108 (GOB)	3,000,000	2,045,281	408,133	2,453,414
Laws of 2006, CH 111 (STB)	19,247,200	12,790,859	3,604,022	16,394,881
Change in Authorization	(235,000)	-	-	-
Change in Authorization FY2010	(364,607)	-	-	-
Change in Authorization FY2010	112,377	-	-	-
Art in Public Places	(72,500)	-	-	-
BOF Reversions	(41,243)	-	-	-
Laws of 2005, CH 347 (STB)	12,678,400	11,266,498	560,786	11,827,284
Change in Authorization	150,000	-	-	-
Change in Authorization FY2010	(402,809)	-	-	-
Art in Public Places	(10,400)	-	-	-
BOF Reversions	(210,752)	-	-	-
Laws of 2004, CH 117 (GOB)	11,156,000	10,925,566	-	10,925,566
BOF Reversions	(73,318)	-	-	-
Laws of 2004, CH 126 (STB)	10,963,000	10,020,604	444,583	10,465,187
Change in Authorization	(150,000)	-	-	-
Change in Authorization FY2010	(686)	-	-	-
Art in Public Places	(14,700)	-	-	-
BOF Reversions	(257,155)	-	-	-
Laws of 2003, CH 429 (STB)	8,975,613	8,440,273	151,726	8,591,999
Change in Authorization	24,453	-	-	-
BOF/PED Adjustment	20,000	(35,000)	-	(35,000)
Change in Authorization FY2010	(996)	-	-	-
BOF Reversions	(275,547)	-	-	-
Art in Public Places	(1,050)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 2004 - Fund 81600 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS - continued:				
Laws of 2002, CH 110 (STB)	\$ 309,033	260,741	-	260,741
BOF/PED Adjustment	-	45,748	-	45,748
BOF Reversions	(2,544)	-	-	-
Laws of 2009, CH 128 (STB)	-	-	-	-
Refunds	-	-	9,158	9,158
Transfers	-	483,683	-	483,683
TOTAL CASH RECEIPTS	85,263,140	60,735,591	14,017,863	74,753,454
CASH OUTLAYS:				
Laws of 2010, CH 4, Sec 34 (STB)	100,000	-	-	-
BOF Reversions	(100,000)	-	-	-
Laws of 2009, CH 7 (STB)	2,873,516	-	-	-
BOF Reversions	(2,873,516)	-	-	-
Laws of 2009, CH 125, Sec 16 (STB)	7,000,000	-	4,414,888	4,414,888
BOF Reversions	(2,000,000)	-	-	-
Laws of 2008, Ch 80 (GOB)	3,000,000	-	685,841	685,841
Laws of 2008, CH 92 (STB)	12,828,469	4,480,244	3,691,492	8,171,736
Change in Authorization FY2010	700,000	-	-	-
Change in Authorization FY2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	-	-	-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	-	297,000	297,000
Art in Public Places	(3,000)	-	-	-
Laws of 2006, CH 108 (GOB)	3,000,000	2,004,200	428,594	2,432,794
Laws of 2006, CH 111 (STB)	19,247,200	12,673,628	3,902,115	16,575,743
Change in Authorization	(235,000)	-	-	-
Change in Authorization FY2010	(364,607)	-	-	-
Change in Authorization FY2010	112,377	-	-	-
Art in Public Places	(72,500)	-	-	-
BOF Reversions	(41,243)	-	-	-
Laws of 2005, CH 347 (STB)	12,678,400	11,408,105	525,796	11,933,901
Change in Authorization	150,000	-	-	-
Change in Authorization FY2010	(402,809)	-	-	-
Art in Public Places	(10,400)	-	-	-
BOF Reversions	(210,752)	-	-	-
Laws of 2004, CH 117 (GOB)	11,156,000	10,897,608	55,487	10,953,095
BOF Reversions	(73,318)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
Special Capital Outlay 2004 - Fund 81600 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS:				
Laws of 2004, CH 126 (STB)	\$ 10,963,000	9,607,441	424,710	10,032,151
Change in Authorization	(150,000)	-	-	-
Change in Authorization FY2010	(686)	-	-	-
Art in Public Places	(14,700)	-	-	-
BOF Reversions	(257,155)	-	-	-
Laws of 2003, CH 429 (STB)	8,975,613	8,814,168	178,186	8,992,354
Change in Authorization	24,453	-	-	-
BOF/PED Adjustment	20,000	-	-	-
Change in Authorization FY2010	(996)	-	-	-
BOF Reversions	(275,547)	-	-	-
Art in Public Places	(1,050)	-	-	-
Laws of 2002, CH 110 (STB)	309,033	169,010	-	169,010
BOF/PED Adjustment	-	-	-	-
BOF Reversions	(2,544)	-	-	-
Laws of 2009, CH 128 (STB)	-	-	-	-
Refunds	-	-	-	-
Transfers	-	617,701	4,516	622,217
TOTAL CASH OUTLAYS	85,263,140	60,672,105	14,608,626	75,280,731
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	63,486	(590,763)	(527,277)
RECEIVABLES, June 30, 2010				2,300,302
PAYABLES, June 30, 2010				(754,340)
FUND BALANCE, June 30, 2010			\$	1,018,685

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
(Major Fund) Special Capital Outlay 2000 - Fund 81800

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS:				
Laws of 2002, CH 23	\$ 2,178,000	2,178,000	-	2,178,000
Increase in Authorization, Laws of 2002, CH 23	85,000	-	-	-
Laws of 2001	1,200,000	1,200,000	-	1,200,000
Laws of 2002 CH 110 (STB)	373,750	250,360	-	250,360
Reversions--Reduction in Auth, Laws of 2002, CH 110	(33,755)	-	-	-
Laws of 2003 CH 429 (STB)	85,000	17,257	-	17,257
Laws of 2003 CH 429	3,280,800	1,700,000	1,580,800	3,280,800
Reversions 2009	(1,399)	-	-	-
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	-	-	-
Laws of 2003 CH 385	880,300	720,000	160,300	880,300
Reversion-Reduction in Auth, Laws of 2003, Ch. 385	(75,000)	(75,000)	-	(75,000)
Laws of 2004 CH 126 Sec 145	500,000	500,000	-	500,000
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	21,330,831	-	21,330,831
Reversion- Reduction in Auth, Laws of 2004, Ch. 126 HB9 (04-2557 \$25K/04-2472 \$20K)	(45,000)	(45,000)	-	(45,000)
Reversions 2009	(85,996)	-	-	-
Laws of 2005 CH 347 Sec 48	20,060,590	20,060,590	-	20,060,590
Reversions 2009	(1,149,043)	-	-	-
Reauthorization, Laws of 2005, CH 347 (05-1969)	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	-	-	-
Laws of 2005 CH 347 Sec 256	50,000	50,000	-	50,000
Laws of 2006, CH 111, Sec 39	25,826,000	24,126,000	1,500,000	25,626,000
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2009	(1,580,206)	-	-	-
Reauthorization Laws 2007, Ch 341	(740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	220,000	-	220,000
Laws of 2007, Ch. 2, Sec. 16	11,302,100	11,302,100	-	11,302,100
Laws of 2007, Ch. 42, Sec. 55	52,305,034	52,305,034	-	52,305,034
Reversions 2009	(5,488,304)	-	-	-
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	-	-	-
Laws of 2007, Ch 42, Sec 99	50,000	-	50,000	50,000
Reauthorization Laws of 2007, CH 42, Sec 99	(130,000)	-	-	-
Laws of 2007, Ch 334, Sec 5K	100,000	-	100,000	100,000
Laws of 2007, Ch 341, Sec 232, 204, 205, 207, 209, 232, 333	2,421,000	2,196,000	225,000	2,421,000
Laws of 2008, Ch. 92, Sec. 44	18,980,000	18,980,000	-	18,980,000
Reversions 2009	(4,035,917)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
(Major Fund) Special Capital Outlay 2000 - Fund 81800 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS - continued:				
Reauthorization, Laws of 2008, Ch 92	\$ (79,000)	-	-	-
Laws of 2008, Ch. 83, Sec. 108, 173, 312, 102, 84, 115, 232, 351	405,000	405,000	-	405,000
Reauthorization (08-5074)	(25,000)	-	-	-
Laws of 2009, Ch. 128, various secs.	1,528,426	555,639	897,786	1,453,425
Refunds/cancelled warrants	-	21,954	-	21,954
Reversions	-	6,921	-	6,921
Transfers	-	9,569	164,884	174,453
TOTAL CASH RECEIPTS	146,326,987	158,015,255	4,678,770	162,694,025
CASH OUTLAYS:				
Laws of 2002, CH 23	2,178,000	2,855,622	-	2,855,622
Increase in Authorization, Laws of 2002, CH 23	85,000	-	-	-
Laws of 2001	1,200,000	453,968	-	453,968
Laws of 2002 CH 110 (STB)	373,750	283,522	-	283,522
Reversions-Reduction in Auth, Laws of 2002, CH 110	(33,755)	-	-	-
Laws of 2003 CH 429 (STB)	85,000	85,000	-	85,000
Laws of 2003 CH 429	3,280,800	3,365,211	-	3,365,211
Reversions 2009	(1,399)	-	1,399	1,399
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	-	100,000	100,000
Laws of 2003 CH 385	880,300	521,009	10,000	531,009
Reversion-Reduction in Auth, Laws of 2003, Ch. 385	(75,000)	-	-	-
Laws of 2004 CH 126 Sec 145	500,000	-	-	-
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	20,064,977	518,498	20,583,475
Reversion- Reduction in Auth, Laws of 2004, Ch. 126	(45,000)	-	-	-
Reversions 2009	(85,996)	-	85,996	85,996
Laws of 2005 CH 347 Sec 48	20,060,590	18,204,973	1,047,408	19,252,381
Reversions 2009	(1,149,043)	-	1,149,043	1,149,043
Reauthorization, Laws of 2005, CH 347	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	-	1,100	1,100
Laws of 2005 CH 347 Sec 256 (Capitan 05-2505)	50,000	50,000	-	50,000
Laws of 2005 CH 347 Sec 48 - reauthorization	-	148,500	-	148,500
Laws of 2006, CH 111, Sec 39	25,826,000	22,499,553	3,570,809	26,070,362
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2009	(1,580,206)	-	1,580,206	1,580,206

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Multi-Year Budgeted Special Capital Outlay Fund -
(Major Fund) Special Capital Outlay 2000 - Fund 81800 - continued

YEAR ENDED JUNE 30, 2010

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS:				
Reauthorization Laws 2007, Ch 341	\$ (740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	50,000	125,000	175,000
Laws of 2007, Ch. 2, Sec. 16	11,302,100	8,162,391	1,343,679	9,506,070
Laws of 2007, Ch. 42, Sec. 55	52,305,034	32,340,363	8,208,411	40,548,774
Reversions 2009	(5,488,304)	-	5,488,304	5,488,304
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	1,750,000	40,000	1,790,000
Laws of 2007, Ch. 42, Sec 99 07-6057	50,000	-	-	-
Reauthorization Laws of 2007, CH 42, Sec 99	(130,000)	-	-	-
Laws of 2007, Ch 334. Sec 5K	100,000	-	-	-
Laws of 2007, Ch 341, Sec 104	2,421,000	15,200	-	15,200
Laws of 2008, Ch. 92, Sec. 44	18,980,000	5,475,627	8,046,743	13,522,370
Reversions 2009	(4,035,917)	-	4,035,917	4,035,917
Reauthorization, Laws of 2008, Ch 92	(79,000)	-	40,000	40,000
Laws of 2008, Ch. 83, Sec. 108	405,000	78,521	50,000	128,521
Reauthorization (08-5074)	(25,000)	-	-	-
Laws of 2009, Ch. 128, various sections	1,528,425	-	199,837	199,837
Reversions	-	6,921	-	6,921
Transfers	-	240,296	9,158	249,454
TOTAL CASH OUTLAYS	<u>146,326,986</u>	<u>116,651,654</u>	<u>35,651,508</u>	152,303,162
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ <u>1</u>	<u>41,363,601</u>	<u>(30,972,738)</u>	10,390,863
RECEIVABLES, June 30, 2010				254,750
PAYABLES, June 30, 2010				<u>(10,029,505)</u>
FUND BALANCE, June 30, 2010			\$	<u>616,108</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes to Trust Funds and Agency Funds

Trust Funds

Private-Purpose Trust Funds are used to report arrangements under which principal or interest benefits specific individuals, private organizations or other government - but not the reporting government.

Eva Lou Kelly Scholarship Fund - The Eva Lou Kelly Scholarship fund accounts for assets held in trust for the continuation of "deserving boys and girls". (SHARE Fund 61600)

Tutor-Scholars Program Fund - The Tutor-Scholars Program fund accounts for donations, primarily corporate, to fund scholarships for academically successful students who tutor at-risk high school students. Tutor-scholars may receive scholarships up to \$3,000 per year for use at any public or private post-secondary school in New Mexico. (SHARE Fund 99300)

Agency Funds

Agency Funds are used to account for assets held on behalf of individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

Driver Safety Fees - The Driver Safety Fee fund is used to accumulate the driver safety fee in the amount of \$3 for each driver's licence or duplicate driver's license issued. The fees are distributed through the State Equalization Guarantee distribution to each school district for the purpose of providing defensive driving instruction (NMSA 1978, Section 66-5-44). (SHARE Fund 57300)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Net Assets -
Fiduciary Funds

AS OF JUNE 30, 2010

	Private-Purpose Trusts		
	61600	99300	Total
	Eva Lou Kelly Scholarship	Tutor-Scholars Program	
ASSETS:			
Cash	\$ 38,318	4,876	43,194
Certificate of deposit	20,000	-	20,000
Due from other state agencies	6	-	6
TOTAL ASSETS	\$ 58,324	4,876	63,200
LIABILITIES:			
Due to external parties	\$ -	-	-
Deposits held for local education agencies	-	-	-
TOTAL LIABILITIES	-	-	-
NET ASSETS:			
Reserve for scholarship	58,324	4,876	63,200
TOTAL LIABILITIES AND NET ASSETS	\$ 58,324	4,876	63,200

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Combining Statement of Changes in Net Assets -
Fiduciary Funds**

AS OF JUNE 30, 2010

	Private-Purpose Trusts		
	61600	99300	Total
	Eva Lou Kelly Scholarship	Tutor-Scholars Program	
ADDITIONS:			
Interest	\$ 619	-	619
TOTAL ADDITIONS	619	-	619
DEDUCTIONS:			
Scholarship expense	-	-	-
TOTAL DEDUCTIONS	-	-	-
CHANGES IN NET ASSETS	619	-	619
NET ASSETS, BEGINNING	57,705	4,876	62,581
NET ASSETS, ENDING	\$ 58,324	4,876	63,200

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Net Assets - Public Education Department

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	-
Investment in State General Fund	\$ -
Investment Pool	64,722,229
Due from other governments	170,089,222
Due from external parties	338,138
Advances to local education authorities	631,894
Prepaid expenses	<u>6,001</u>
TOTAL CURRENT ASSETS	235,787,484
NON-CURRENT ASSETS:	
Capital assets	4,088,895
Less: accumulated depreciation	<u>(3,663,361)</u>
TOTAL NON-CURRENT ASSETS	<u>425,534</u>
TOTAL ASSETS	\$ <u><u>236,213,018</u></u>
CURRENT LIABILITIES:	
Accounts payable	\$ 93,643,795
Accrued payroll and taxes	2,611,435
Deferred revenue	9,468,906
Investment in State General Fund Investment Pool - overdraft	74,426,837
Due to other governments	21,141,671
Due to local education authorities	70,167
Other current liabilities - due within one year	62,002
Compensated absences payable	<u>1,031,234</u>
TOTAL CURRENT LIABILITIES	202,456,047
NET ASSETS:	
Invested in capital assets	425,534
Restricted	29,164,405
Unrestricted	<u>4,167,032</u>
TOTAL NET ASSETS	\$ <u><u>33,756,971</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Net Assets - Division of Vocational Rehabilitation -
Disability Determination Services

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	
Investment in State General Fund	\$ -
Investment Pool	5,308,196
Due from other governments	6,209,622
Due from external parties	6,704
Advances to local education authorities	-
Prepaid expenses	-
TOTAL CURRENT ASSETS	<u>11,524,522</u>
NON-CURRENT ASSETS:	
Capital assets	1,903,995
Less: accumulated depreciation	<u>(1,801,373)</u>
TOTAL NON-CURRENT ASSETS	<u>102,622</u>
TOTAL ASSETS	<u>\$ 11,627,144</u>
CURRENT LIABILITIES:	
Accounts payable	\$ 2,666,668
Accrued payroll and taxes	787,080
Deferred revenue	584,327
Investment in State General Fund Investment Pool - overdraft	947,375
Due to other governments	167,433
Due to local educational authorities	-
Other current liabilities - due within one year	135
Compensated absences payable	<u>867,313</u>
TOTAL CURRENT LIABILITIES	6,020,331
NET ASSETS:	
Invested in capital assets	102,622
Restricted	6,131,123
Unrestricted	<u>(626,932)</u>
TOTAL NET ASSETS	<u>\$ 5,606,813</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Activities - Public Education Department

YEAR ENDED JUNE 30, 2010

		<u>Expenses</u>	<u>Program Revenues</u> Operating Grants and Contributions	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES				
Education	\$	<u>3,011,074,885</u>	<u>504,664,998</u>	<u>(2,506,409,887)</u>
TOTAL GOVERNMENTAL ACTIVITIES	\$	<u>3,011,074,885</u>	<u>504,664,998</u>	<u>(2,506,409,887)</u>
GENERAL REVENUES:				
TRANSFERS:				
State appropriations				2,287,926,400
Bond proceeds appropriations				38,177,837
Other state funds				1,914,422
Transfers in - other				210,456,737
Transfers out - other				(5,387,852)
State general fund reversions - FY10				<u>(29,876,237)</u>
TOTAL GENERAL REVENUES AND TRANSFERS				<u>2,503,211,307</u>
CHANGE IN NET ASSETS				(3,198,580)
NET ASSETS, BEGINNING				<u>36,955,551</u>
NET ASSETS, ENDING			\$	<u>33,756,971</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Statement of Activities - Division of Vocational Rehabilitation -
Disability Determination Services

YEAR ENDED JUNE 30, 2010

		<u>Program Revenues</u>	
	<u>Expenses</u>	Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES			
Health and welfare	\$ 39,775,894	33,960,905	(5,814,989)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 39,775,894	33,960,905	(5,814,989)
GENERAL REVENUES:			
TRANSFERS:			
State appropriations			5,888,100
Bond proceeds appropriatons			-
Other state funds			1,072,474
Transfers in - other			466,149
Transfers out - other			-
State general fund reversions - FY10			(159,400)
TOTAL TRANSFERS			7,267,323
CHANGE IN NET ASSETS			1,452,334
NET ASSETS, BEGINNING			4,154,479
NET ASSETS, ENDING		\$	5,606,813

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

**Schedule of Changes in Assets and Liabilities -
Agency Fund**

AS OF JUNE 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
ASSETS:				
Cash and temporary investments	\$ 2,556,854	-	(3,611,757)	(1,054,903)
Due from other state agencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	\$ <u>2,556,854</u>	<u>-</u>	<u>(3,611,757)</u>	<u>(1,054,903)</u>
LIABILITIES:				
Due to external parties	\$ <u>2,556,854</u>	<u>-</u>	<u>(3,611,757)</u>	<u>(1,054,903)</u>
TOTAL LIABILITIES	\$ <u>2,556,854</u>	<u>-</u>	<u>(3,611,757)</u>	<u>(1,054,903)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Supplemental Schedule of Cash and Cash Equivalents

YEAR ENDED JUNE 30, 2010

Agency/ Fund	Account Name	General Ledger Balance
General Fund:		
924-05700	PED (State Public Education Department)	\$ 4,879,862
644-50000	DVR (Division of Vocational Rehabilitation) includes Fund 644-51900	4,530,842
644-50100	DDS (Disability Determination Service) -	<u>(947,375)</u>
Total General Fund		8,463,330
Special Revenue and Capital Outlay Funds:		
924-00500	Schools in Need of Improvement	1,786,039
924-10550	New School Development Fund	112,954
924-20160	Ed Tech Deficiency Correct	97,415
924-29100	Special Capital Outlay - General Fund (1995)	-
924-33400	Family Youth	357,827
924-38700	Special Capital Outlay - General Fund (1996)	-
924-39700	Educator Certification	399,801
924-45800	Adult Basic Education	122,564
924-46800	Special Capital Outlay - STB (1999)	-
924-47000	Charter School Stimulus	13,760
924-51300	Pre-Kindergarten	3,875,277
924-54000	Special Capital Outlay - STB (1998)	-
924-54100	Special Capital Outlay - STB (1998)	-
924-54200	Special Capital Outlay - STB (1998)	-
924-54300	Special Capital Outlay - STB (1998)	-
924-56200	Professional Development	486,098
924-56800	Incentive for School Improvement	117,473
924-58600	Reading Materials	155,564
924-63300	Indian Education Act	3,766,427
924-63400	Public School Capital Improvements	4,075,168
924-63500	Public School Capital Outlay (Other)	2,479,180
924-63600	Kindergarten Capital Funding	-
924-63900	Kindergarten Plus	88,366
924-66000	Instructional Materials Adoption	352,664
924-66100	Special Capital Outlay - STB (1994)	53,339
924-66200	Education Technology	672,079
924-66900	School Library	124,634
924-67200	Federal School Food Services Flowthrough	(9,895,488)
924-67300	Federal Public Education Dept. Flowthrough	(24,832,529)
924-67400	Federal Vocational Education Flowthrough	(453,003)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Supplemental Schedule of Cash and Cash Equivalents - continued

YEAR ENDED JUNE 30, 2010

Agency/ Fund	Account Name	General Ledger Balance
Special Revenue and Capital Outlay Funds - continued:		
924-72500	Public Building Energy Efficiency Act	\$ 47
924-79000	Special Projects	10,904,950
924-81300	Special Capital Outlay - STB (2000)	(219,621)
924-81600	Special Capital Outlay - STB (2004)	(527,277)
924-81800	Special Capital Outlay - STB (2000)	10,390,864
924-84400	Federal Administrative Cost	(2,140,586)
924-85600	Instructional Materials Flowthrough	3,854,519
924-85700	State Support Reserve	1,000,000
924-85800	Public School Support Flowthrough	14,278,543
924-88900	Transportation Emergency	276,815
924-89000	ARRA of 2009	(36,171,343)
924-99500	Special Capital Outlay/Sev Tax Bond	-
644-28000	Access to Telework Funds	777,353
644-89000	ARRA of 2009	<u>(186,990)</u>
Total Special Revenue and Capital Outlay Funds		<u>(13,807,117)</u>
Total General Fund, Special Revenue and Capital Outlay Funds		(5,343,787)
Trust and Agency Funds:		
924-57300	Driver Safety Fees	(1,054,903)
924-61600	Eva Lou Kelly Scholarship	38,318
924-61600	Eva Lou Kelly Scholarship-CD with Charter Bank	20,000
924-99300	Tutor Scholar Program	<u>4,876</u>
Total Trust and Agency Funds		<u>(991,709)</u>
Total Cash and Investments, net of Overdrafts		\$ <u>(6,335,496)</u>

SINGLE AUDIT

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Expenditures of Federal Awards

YEAR ENDED JUNE 30, 2010

Federal Agency/ Pass-Through Agency	Pass-Through	Federal CFDA Number	Federal Participating Expenditures
PUBLIC EDUCATION DEPARTMENT			
DEPARTMENT OF AGRICULTURE:			
Food and Nutrition Service:			
National School Lunch Program/School Breakfast Program	Pass-Through	10.555 / 10.553 \$	113,226,269
National School Lunch Equipment	Pass-Through	10.579	<u>868,167</u>
Total Department of Agriculture			114,094,436
U.S. DEPARTMENT OF EDUCATION:			
Office of Elementary and Secondary Education:			
Title I Grants to Local Educational Agencies	Pass-Through	84.010A	116,616,418
ARRA - Title I Grants to Local Educational Agencies	Pass-Through	84.389A	42,058,844
Migrant Education - State Grant Program	Pass-Through	84.011A	1,215,462
Title I Program for Neglected and Delinquent Children	Pass-Through	84.013A	261,711
MEP Consort. Incentive Grants (Migrant Consortium)	Pass-Through	84.144F	146,887
MEP Consort. Incentive Grants (MSIX State Data Quality)	Pass-Through	84.144G	60,748
Education for Homeless Children and Youth	Pass-Through	84.196A	494,531
ARRA - Education for Homeless	Pass-Through	84.387A	228,966
Even Start - State Educational Agencies	Pass-Through	84.213C	434,787
Twenty-first Century Community Learning Centers	Pass-Through	84.287C	9,520,466
State Grants for Innovative Programs	Pass-Through	84.298A	39,544
Education Technology State Grants	Pass-Through	84.318X	2,544,443
ARRA - Education Stabilization	Pass-Through	84.394A	200,836,369
Reading First State Grants	Pass-Through	84.357A	2,468,519
Rural Education	Pass-Through	84.358B	1,597,158
English Language Acquisition Grants	Pass-Through	84.365A	6,405,180
Mathematics and Science Partnerships	Pass-Through	84.366B	1,399,529
Improving Teacher Quality State Grants	Pass-Through	84.367A	21,255,551
ARRA - Education Technology Admin	Pass-Through	84.386A	2,593,817
Grants for State Assessments and Related Activities	Pass-Through	84.369A	4,230,625
School Achievement Fund 1003(g)	Pass-Through	84.377A	<u>1,116,967</u>
Total Office of Elementary and Secondary Education			415,526,522
Office of Special Education and Rehabilitative Services:			
Special Education - Grants to States	Pass-Through	84.027A	86,639,247
ARRA - Special Education - Grants to States	Pass-Through	84.391A	35,725,488
Special Education - Preschool Grants	Pass-Through	84.173A	2,904,170
ARRA - Special Education - Preschool Grants	Pass-Through	84.391A	947,793
Special Education - State Personnel Development	Pass-Through	84.323A	<u>662,279</u>
Total Office of Special Education and Rehabilitative Services			126,878,978

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Expenditures of Federal Awards - continued

YEAR ENDED JUNE 30, 2010

Federal Agency/ Pass-Through Agency	Pass-Through	Federal CFDA Number	Federal Participating Expenditures
PUBLIC EDUCATION DEPARTMENT - continued			
U.S. DEPARTMENT OF EDUCATION - continued:			
Office of Safe and Drug-Free Schools:			
Safe and Drug-Free Schools and Communities - State Grants	Pass-Through	84.186A	\$ 1,774,566
Office of the Asst. Secretary for Educational Research and Improvement:			
Fund for the Improvement of Education	Pass-Through	84.215K	251,768
Office of Innovation and Improvement:			
Charter Schools	Pass-Through	84.282A	4,128,060
Advance Placement Program	Pass-Through	84.330B	98,800
Transition to Teaching	Pass-Through	84.350B	<u>391,779</u>
Total Office of Innovation and Improvement			<u>4,618,640</u>
Office of Vocational and Adult Education:			
Voc. Educ. - Basic Grants to States/Adult Educ. - State Grant Program		84.048A / 84.002	8,873,583
Tech-Prep Education		84.243A	<u>878,032</u>
Total Office of Vocational and Adult Education			<u>9,751,615</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			672,896,524
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Centers for Disease Control and Prevention:			
Centers for Disease Control and Prev. - Investigations and Tech. Assistance	Pass-Through	93.283	240,799
NCES			6,851
EDEN			7,921
NAEP			92,294
OTHER			<u>163,422</u>
TOTAL EXPENDITURES - PUBLIC EDUCATION DEPARTMENT			\$ <u>673,407,811</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Expenditures of Federal Awards - continued

YEAR ENDED JUNE 30, 2010

Federal Agency/ Pass-Through Agency	Pass-Through	Federal CFDA Number	Federal Participating Expenditures
DIVISION OF VOCATIONAL REHABILITATION			
U.S. DEPARTMENT OF EDUCATION:			
Office of Special Education and Rehabilitative Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States		84.126A	\$ 22,770,496
Independent Living State Grants		84.169A	253,353
Rehab. Training - State Vocational Rehabilitation Unit In-Service Training		84.265A	7,293
Supported Employment Services for Individuals with Severe Disabilities		84.187A	244,500
Rehabilitation Services - Service Projects		84.128G	127,234
State Grants for Assistive Technology		84.244A	470,824
New Mexico Assistive Technology Reutilization Acquisition Model (NMRAM)		84.235V	90,115
Mentoring Transition Age Youth		84.235S	99,881
Rehabilitation Services Demonstration and Training Programs		84.235T	37,207
TAP Loan Program		84.224A	83,000
ARRA - Vocational Rehabilitation		84.390A	1,381,635
ARRA - Independent Living		84.398A	<u>10,890</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>25,576,428</u>
SOCIAL SECURITY ADMINISTRATION:			
Social Security - Work Incentives Planning and Assistance		96.008	118,796
Social Security - Disability Insurance		96.001	<u>14,346,595</u>
TOTAL SOCIAL SECURITY ADMINISTRATION			<u>14,465,391</u>
TOTAL FEDERAL FUNDS			40,041,819
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Centers for Medicare and Medicaid Services:			
Medicaid Infrastructure Grants to Support the Competitive Employment of People with Disabilities		93.768	320,972
DEPARTMENT OF LABOR:			
Employment Service/Wagner-Peyser Funded Activities		17.207	473,304
OTHER:			
RAISE - Disability & Business Technical Assistance Center		84.133	<u>103,112</u>
TOTAL EXPENDITURES - DIVISION OF VOCATIONAL REHABILITATION			<u>40,939,207</u>
TOTAL FEDERAL EXPENDITURES			\$ <u><u>714,347,018</u></u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Notes to Schedule of Expenditures of Federal Awards

GENERAL

The accompanying Supplemental Schedule of Expenditures of Federal Awards presents the activities of all federal awards of the Department.

BASIS OF ACCOUNTING

The accompanying Supplemental Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Department's general purpose financial statements.

NON-CASH ASSISTANCE

The Department did not receive any federal non-cash assistance during the year ended June 30, 2010.

LOANS

The Department does not have any loans outstanding with the Federal government at June 30, 2010.

Pass-throughs expenditures totaled \$663,385,705 for the year ended June 30, 2010. The pass-throughs to the school districts and charters which are not deemed as sub-recipients.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS EXPENDITURE TO THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

SHARE Fund	Expenditure Amount
50000	27,037,273
50100	12,649,344
89000	1,213,712
28000	<u>38,878</u>
DVR Total	<u>40,939,207</u>
67200	112,492,102
67300	247,154,258
67400	8,539,864
84400	21,962,144
89000	<u>283,259,443</u>
PED Total	<u>673,407,811</u>
Total \$	<u>714,347,018</u>

**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***

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the remaining aggregate fund information, the budgetary comparisons for the General Fund and major special revenue funds and the combining and individual funds, fiduciary funds and the major capital project funds and non-major fund budgetary comparisons and the budgetary comparisons for the discretely presented component units presented as supplemental information of the State of New Mexico Public Education Department (the Department) as of and for the year ended June 30, 2010, and have issued our report thereon, dated December 8, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

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 Department's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section, and was not designed to identify



State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

Internal Control Over Financial Reporting - continued

all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over financial reporting described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting, findings 10-01, 10-02, 10-16, 10-17, 10-22, 10-25, 09-03, and 08-08. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as finding 10-13, 10-14, 10-15, 10-27 CS, 10-28 CS, 10-29 CS, 10-03, 10-30 CS, 09-13-CS, 09-18, 09-24, and 07-21.

We noted certain other matters that are required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as finding 10-13, 10-14, 10-15, 10-27 CS, 10-28 CS, 10-29 CS, 10-30 CS, 09-18 and 07-21.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Department's responses and, accordingly, we express no opinion on them.

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

This report is intended solely for the information and use of the management of the Department, the New Mexico Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Meyners + Company, LLC

December 8, 2010

**REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

Compliance

We have audited the State of New Mexico Public Education Department (the Department), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2010. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on the Department's compliance based on our audit.

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 Department'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. Our audit does not provide a legal determination on the Department's compliance with those requirements.

In our opinion, the Department complied, in all material respects, with the compliance requirements referred to that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 10-31, 10-32, 10-33, 10-34, 01-08, 03-12, 06-12, 08-07 and 08-08.



State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

Compliance – continued

Internal Control Over Compliance

The management of the Department is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 Department'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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 03-12, 06-12, and 08-08. 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.

State of New Mexico
Public Education Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management of the Department, the New Mexico Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration and federal award and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Meyers + Company, LLC

December 8, 2010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs

YEAR ENDED JUNE 30, 2010

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the New Mexico Public Education Department (the Department).
2. 8 significant deficiencies relating to the audit of the financial statements are reported in the 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.
3. There were no instances of noncompliance material to the financial statements of the Department disclosed during the audit.
4. 3 significant deficiencies were disclosed during the audit of the major federal award programs as reported in the Report on Compliance with the Requirements that could have a direct and material effect to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for the Department expresses an unqualified opinion.
6. There were 9 findings that the auditor is required to report under 510(a) of Circular A-133.
7. The programs tested as major programs are:
 - U.S. Department of Agriculture:**
 - National School Lunch Program /School Breakfast Program 10.555/10.553
 - U.S. Department of Education:**
 - ARRA & Title I Grants to Local Educational Agencies 84.010/84.389
 - ARRA & Special Education 84.027/84.391
 - Title II, Carl Perkins 84.048A/84.002
 - Twenty-first Century Community Learning Centers 84.287
 - English Language Acquisition Grants 84.365
 - Improving Teacher Quality State Grants 84.367
 - Grants for State Assessments and Related Activities 84.369
 - Charter Schools 84.282A
 - Title II, Part D 84.386
 - ARRA - Educational Stabilization 84.394A
 - Rehabilitation Services – Vocational Rehabilitation Grants to States 84.126
 - Social Security Administration:**
 - Social Security – Disability Insurance 96.001
8. The threshold for distinguishing Types A and B programs was \$3,000,000.
9. It was determined that the Department was **not** a low-risk auditee.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT

The State of New Mexico Public Education Department is made up of two distinct appropriated entities and 22 state authorized chartered schools: the Public Education Department (PED) and the Division of Vocational Rehabilitation (DVR), and the various state authorized charter schools (CS). The applicable department is indicated next to the title of each finding.

CURRENT YEAR FINDINGS

10-01 SAS-115 – INEFFECTIVE OVERSIGHT OF THE FINANCIAL REPORTING AND INTERNAL CONTROL, SIGNIFICANT DEFICIENCY – PED

Condition: While conducting our audit for FY2010, we noted that the Department did not have supervisory review of accounting transactions and month end reconciliations for two months since the Department did not have a CFO, Audit & Accounting Bureau Manager, and ASD Director. In general, fiscal management should be able to produce accurate and timely financial information to enable well-informed business decisions to be made on a daily basis. Moreover, executive skills and knowledge of critical areas should not be centralized in any single employee, because this substantially increases the potential risk of loss in the event of that employee's incapacity or leaving the employment of the organization.

Criteria: Per SAS-115, *Communicating Internal Control-Related Matters Identified in an Audit*, the auditor must determine whether the client has sufficient accounting competence and knowledge to detect or prevent a misstatement or mistake over financial reporting. The Department should possess the ability to perform accounting transactions such as recording cash/investment activity, maintaining a capital asset listing and preparing financial statements and supporting schedules, in addition to understanding the process.

A system of internal control over financial reporting does not stop at the general ledger; rather, it includes controls over the preparation of the financial statements and supporting schedules as well.

Cause: The Department had significant changes in accounting and financial personnel at the year end of FY2010 and in the beginning of FY2011. During this period of time, the financial division lacked the adequate number of qualified accounting personnel and experience to provide accurate and reliable financial information for the FY-2010 audit.

Effect: Inefficiencies may cause the financial records and financial statements to be misrepresentative as well as they may allow possible irregularities.

Recommendation: We recommend the Department develop and implement internal controls over the financial reporting process to facilitate the creation of timely and accurate reconciling schedules and financial statements. Additionally, the Department should seek to fill any open financial positions within the Department as soon as practical in order to keep fiscal controls and oversight.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-01 SAS-115 – INEFFECTIVE OVERSIGHT OF THE FINANCIAL REPORTING AND INTERNAL CONTROL, SIGNIFICANT DEFICIENCY - PED - continued

Management's Response: Management concurs and is working on cross training personnel and making the Department responsible for their reconciliations and knowledgeable of their transaction. The Department cannot forecast who will stay or who will leave the agency but we are planning to have some accounting and policy training for the different departments to mitigate this issue. The Bureau Chief of Accounting and Audit is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-02 LACK OF MONITORING PLAN FOR STATE AUTHORIZED CHARTERED SCHOOLS, SIGNIFICANT DEFICIENCY - PED

Condition: During our internal control walk-through, it was noted that the School Budget and Finance Analysis Bureau has not implemented a monitoring plan or met with the Charter Schools as was outlined in the December 16, 2009 Public Education Commission (PEC) minutes. The PEC minutes have identified four charter schools (Albuquerque Institute of Math & Science, Amy Biehl High School, La Promesa Early Learning Center, and Village Academy) that have been approved at the state level for charter status despite the lack of fiscal responsibility and oversight.

Criteria: Per the PEC minutes on December 16, 2009, the PEC has required the following monitoring plan:

The PED School Budget and Finance Analysis Bureau, which will require the school to: one, demonstrate to the PED School Budget and Finance Analysis Bureau that controls have been established and policies updated to ensure compliance with all applicable fiscal laws, rules and generally accepted accounting procedures, and to mitigate the risk of material misstatements of the school's financial statement; participate in two financial compliance visits by the PED School Budget and Finance Analysis Bureau; one in the first quarter of FY-11 and one in the fourth quarter of FY-11. The purpose of the first visit will be to test internal controls over areas of financial deficiency and/or weakness cited in FY-08, FY-09 and FY-10, if available, of the APS financial audits. The school will be required to demonstrate to the PED what actions they have taken to address any and all prior year audit findings. The school may be required to perform a step-by-step walk-through of fiscal procedures. The second visit will allow for follow-up of the changes to policy and/or procedures made as a result of the first visit and ensure that the school is prepared for an independent financial audit of FY-11. Following both visits, the school will receive feedback from the PED School Budget Finance Analysis. Three, provide monthly financial reporting to the PED School Budget Finance Analysis Bureau, to include monthly bank reconciliation reports that includes balances per bank and books, as well as reports of reconciliation items. Supporting documentation shall be available for inspection by the PED at its discretion. Any discrepancies between bank and the books will need a comprehensive written explanation with supporting documentation approved by the governing body.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-02 LACK OF MONITORING PLAN FOR STATE AUTHORIZED CHARTERED SCHOOLS, SIGNIFICANT DEFICIENCY – PED - continued

Criteria- continued: The monthly reporting requirements shall be adhered to for at least the first and second quarters of FY-11 and may be extended by the PED Budget and School Finance Analysis Bureau at its discretion.

Cause: The School Budget and Finance Analysis Bureau were not aware of the PEC's recommendation and do not have the capacity to take on this role of fiscal monitoring. The School Budget and Finance Analysis Bureau are presently responsible for:

- Reviewing, analyzing, and approving all charter schools and school district budgets.
- Monitoring the distribution and use of nearly half of the State's General Fund appropriations each year
- Providing school finance information to the legislature, the federal government, the general public and other interested parties

Effect: A lack of fiscal oversight and monitoring of state authorized charter schools.

Recommendation: We recommend that PED implement a monitoring plan as prescribed by the PEC to conform to the corrective action for fiscal accountability and responsibility.

Management's Response: Management concurs with the finding and is in the process of implementing procedures to monitor and guide charter schools. The Bureau Chief of Accounting and Audit and the Director of School Budget and Financial Analysis Bureau are the responsible parties to develop and implement the corrective action plan to address the above audit finding however, the priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

10-03 LACK OF INTERDEPARTMENTAL COMMUNICATION ON FISCAL MATTERS, CONTROL DEFICIENCY - PED

Condition: During our internal control walk-through, MCO noted that there were numerous instances of inadequate interdepartmental communication between the agency and the component units in regards to fiscal management, financial internal controls, and financial structure. Oftentimes, this included misunderstandings that led to significant interdepartmental confusion and breakdowns of internal controls within the agency and the component units at the fiscal level.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**10-03 LACK OF INTERDEPARTMENTAL COMMUNICATION ON FISCAL MATTERS,
CONTROL DEFICIENCY – PED - continued**

Criteria: The interdepartmental communication between the agency and the component units in regards to fiscal management and internal controls should be open and frequent to aid in the strengthening of financial internal controls and financial structure.

Cause: Lack of interdepartmental and component unit fiscal communication.

Effect: These conditions can have a negative impact on financial internal control efficiencies and fiscal management.

Recommendation: We highly recommend that this issue be investigated and that a solution be implemented as soon as possible. Perhaps a regularly scheduled meeting for all department directors to discuss and review the recent and upcoming financial events in their respective areas; this could be a positive beginning to allow for a better flow of financial information between each department.

Management's Response: Management concurs with the finding and is in the process of implementing procedures to improve interdepartmental communication. ASD division has already held meetings to discuss how to have a better flow of communication and has started providing additional financial data weekly to different departments. The Bureau Chief of Accounting and Audit is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-04 CONTROL DEFICIENCY OVER PROCUREMENT - PED

Condition: During our internal controls testing of procurement, we noted 9 of the 25 professional contracts tested had not followed the proper procurement rules for professional contracts less than \$50,000. The Department violated procurement procedures due to lack of supporting documents to prove that quotation of services from a minimum of three businesses were performed before selecting a contractor. In addition, the contracts that are in violation of procurement were noted prior to being reviewed by the auditor that the professional contracts less than \$50,000 had been awarded to a pre-determined vendor. The total amount of the professional contracts that did not follow proper procurement was \$385,500. Moreover, 4 of the 9 professional contracts less than \$50,000 that did not follow the procurement code were committed with ARRA funds, which totaled \$186,360 of the \$385,500.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-04 CONTROL DEFICIENCY OVER PROCUREMENT - PED - continued

Criteria: Per Executive Order 2009-044, the State of New Mexico is presently experiencing some of the most difficult economic times; the Governor has ordered all agencies to reduce spending, execute cost-containment, and to increase fiscal efficiency. It is in best practice that the Department obtains quotations of professional contracts less than \$50,000 in a competitive fashion in order to achieve the most competitive price for goods and services being requested from the Department and will aid management in providing better information for decision making.

Cause: Inefficiencies by management in processing and reviewing professional contracts for the most competitive and efficient price for goods and services less than \$50,000.

Effect: The Department is not in compliance with Executive Order 2009-044 and best practices for professional services. Professional contracts less than \$50,000 that does not obtain at a minimum of three business quotations can lead to poor management decisions in choosing the most price competitive and efficient contractor.

Recommendation: We recommend that management establish controls and procedures that require professional contracts less than \$50,000 to be properly reviewed and have support that the final selected vendor was chosen at the most cost efficient and competitive price.

Management's Response: Management concurs with the finding and is going to implement procedures to improve the procurement process on purchases less than \$50,000. The Bureau Chief of Accounting and Audit and the Bureau Chief of Procurement and Building Services are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-05 CONTROL DEFICIENCY OVER REIMBURSEMENTS TO SCHOOLS - PED

Condition: During our internal controls testing for cash disbursements to charter schools and school districts, we noted that the request for reimbursements (RfRs) were not physically or electronically signed at the district/charter level prior to submission to the Program Manager, rather they were either electronically marked with a signature that was "On File" or they were left blank. The Department however, does not have any physical signatures on file for the business managers or individuals chosen to approve RfRs at the district/charter level nor tracks the approval processes electronically within the OBMS system. MCO noted that 6 of the 25 RfRs for districts/charters that were not reviewed or approved totaled \$220,824.71.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-05 CONTROL DEFICIENCY OVER REIMBURSEMENTS TO SCHOOLS – PED - continued

Criteria: Per the Department's internal controls and procedures surrounding the RfRs process at the district/charter level, RfRs should be approved with either a physical or electronic signature in order to demonstrate that the RfRs have been properly reviewed and approved for processing at the district/charter level prior to review at the Program level.

Cause: Lack of internal controls surrounding the approval of RfRs at the district/charter level prior to submission to the Program Manager within the OBMS system.

Effect: The Department is in violation of internal control policies and procedures in addition to federal requirements which may potentially lead to reimbursements for expenditures not actually incurred or deemed un-allowed per OMB-Circular A-87.

Recommendation: We recommend that management implement a process that would ensure that all RfRs are approved electronically or physically prior to submission to the Program Manager.

Management's Response: Management concurs that a process needs to be implemented in which all RfRs are approved electronically at the district/charter level prior to its progression to the Program Manager. The OBMS system requires a secured user name and password per individuals to access the system and perform assigned user role(s) within the workflow configuration. When the system for RfRs was originally implemented, an attempt to include electronic signatures was initiated as part of the approval workflow process. However, the system was unable to legibly emulate the signatures onto the RfR. Management will reevaluate the system and cost requirements to implement an electronic signature procedure or maintenance of a physical signature file in order for system approval to be paralleled with a physical signature. The Bureau Chief of Accounting and Audit and the Bureau Chief of Flow-through are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-06 CONTROL DEFICIENCY OVER ADMINISTRATIVE RIGHTS WITHIN THE OPERATING BUDGET MANAGEMENT SYSTEM (OBMS) - PED

Condition: During our internal control walk-through, it was noted that the School Budget and Finance Analysis Bureau has taken control of all administrative rights for the internal Operating Budget Management System (OBMS). In prior years, OBMS was maintained and administered through an outside consultant, however; due to the state of the economy and budget reductions, the Department has taken over the administrative rights of OBMS to decrease costs.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-06 CONTROL DEFICIENCY OVER ADMINISTRATIVE RIGHTS WITHIN THE OPERATING BUDGET MANAGEMENT SYSTEM (OBMS) – PED - continued

Condition - continued: We noted that since the Department took over all administrative rights, the Department has the authority to add/delete/modify external and internal users, update and modify chart of accounts, and can set the level of authority per user within OBMS. Presently, the Department does not have a proper review process nor does it retain documentation when users are added/deleted/modified or when the chart of accounts have been updated/modified within OBMS.

Criteria: The administrator of an internal operations system should document and retain documentation in order to create an audit trail when any modifications are made within OBMS.

Cause: Lack of effective internal controls associated with OBMS, including no formal procedures in place to monitor additions/deletions/modifications in OBMS from the administrative side.

Effect: Due to the lack of controls and procedures, the Department may encounter operation errors, invalid transactions could be recorded, or a user may not be terminated in a timely fashion to prevent misuse.

Recommendation: We recommend that management establish and implement formal procedures to ensure that a review process and retention of documents is performed when modifications are made within OBMS. Additionally, School Budget should work with school districts and charters to establish a periodic review of all user IDs to identify employees whose job responsibilities have changed or have been terminated. Once these employees are identified, appropriate changes to user IDs should be made to ensure that necessary accessibility and privileges remain.

Management's Response: Management concurs with the finding and will implement formal procedures to ensure that a review process and retention of documents is established to track modifications that are made within OBMS. School budget will work with school districts and charter schools to establish a periodic review of all user IDs to identify employees whose jobs responsibilities have changed or have been terminated. The Bureau Chief of Accounting and Audit and the School Budget and Finance Deputy Director are the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-07 CAPITAL OUTLAY PROJECT RECONCILIATIONS, CONTROL DEFICIENCY - PED

Condition: During our capital outlay test work, we noted that there is no systematic method of ensuring that timely and complete monthly reconciliation and closing procedures take place for the capital outlay schedules at the project and appropriated level of detail.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-07 CAPITAL OUTLAY PROJECT RECONCILIATIONS – PED - continued

Condition - continued: Presently, the capital outlay schedules have numerous appropriated funds that have been fully expired or are no longer relevant for disclosure purposes for the financial statements. Additionally, the Capital Outlay Bureau does not have open and consistent communication with the Administrative Services Department to properly close projects and funds that are no longer in service due to fully expired appropriations.

Criteria: Accounting tasks such as monthly reconciliations play a key role in proving the accuracy of accounting data and information included in interim financial statements.

Cause: Lack of procedures implemented by management in reconciling and closing out capital outlay schedules at the project and appropriation level.

Effect: Lack of monthly reconciliations and closing procedures for capital outlay schedules may ultimately cause significant errors in the financial records and financial statements as well as allow possible irregularities, including fraud to exist and continue without notice.

Recommendation: We recommend the Department establish effective review and reconciliation policies and procedures as a customary part of the accounting process. This would involve monthly reconciliations of all capital outlay funds, making adjustments throughout the year that have previously been made at year-end only, and performing more frequent reviews of the general ledger throughout the year, including making any necessary adjustments. The Department should correct this as soon as possible with the establishment of a system of consistent monthly reconciliations and closing procedures.

Management's Response: Management concurs with the finding and is in the process of revising procedures in place and implementing new procedures to reconcile and close capital projects accordingly. Extensive work has been done in this matter during the current fiscal year, projects have been reconciled and closed but there is more work to do. The Bureau Chief of Accounting and Audit and the Capital Outlay Bureau Director are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-08 MAINTENANCE OF CAPITAL ASSET SCHEDULE CONTROL DEFICIENCY, - PED

Condition: During our test work for the capital assets roll-forward, we noted that the capital asset listing is not properly maintained by PED. Currently, capital asset records are maintained in a Microsoft Excel file that does not provide information necessary to recalculate and verify the accuracy of the depreciation expense and accumulated depreciation.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-08 MAINTENANCE OF CAPITAL ASSET SCHEDULE – PED - continued

Criteria: *GASB 34* requires that, “Agency’s capital assets system must be able to calculate current year depreciation expense and maintain accumulated depreciation balances effective July 1, 2001. Also, all agencies should maintain a fixed asset listing of capital assets recording, at a minimum, the property identification number, description and location of the asset, as well as the method of acquisition, funding source, date of acquisition, date of disposal and cost.”

Per NMSA 2.20.1.8, *Fixed Assets Accounting System*, requires that the Fixed Assets Listing includes: Agency Name, Fixed Asset Number, Description, Location, Manufacturer Name, Model Number, Serial Number, Estimated Useful Life, Date Acquired, Cost, Fund and Organization that Purchased the Asset.

Cause: Inefficiencies by management in recording capital asset depreciation; lack of adequate capital asset software.

Effect: PED is not in compliance with GASB 34 and NMSA 2.20.1.8. Due to the lack of sufficient details presented in the fixed asset listing, the listing lead to errors and inefficiencies by PED that were noted by the auditors during the audit.

Recommendation: We recommend that management create and maintain a proper listing of capital assets. The listing needs to include all necessary information such as: asset description, cost, voucher number and vendor name, date placed in service, estimated useful life, depreciation method, depreciation expense and accumulated depreciation for the year, date asset retired, and selling price (if applicable).

Management’s Response: Management concurs with the finding. PED is in the process of soliciting bids for a complete fixed asset inventory system to be implemented immediately. The Bureau Chief of Accounting and Audit is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-09 LACK OF RECORDING OF CAPITAL ASSETS, CONTROL DEFICIENCY - PED

Condition: During our capital asset test work, we became aware that the Department does not appear to be recording capital asset transfers and disposals as they occur, but rather at the end of the year when capital asset inventory is performed. Additionally, the Department is choosing to consider items that cannot be located at the end of year capital asset inventory as being disposed of.

Criteria: In accordance with the Manual of Model Accounting Practices (MAPs) FIN 6, an agency shall record in the accounting records the transfer, sale, disposition or write-off of capital assets when they occur.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-09 LACK OF RECORDING OF CAPITAL ASSETS – PED - continued

Criteria - continued: Additionally, FIN 6 states that rather than considering missing items at year-end as disposed when any capital asset is found to be missing and cannot be accounted for, the state agency shall determine the cause(s) and augment internal controls, as necessary, to minimize any future occurrences.

Cause: Lack of effective internal controls associated with capital assets, including tracking and safeguarding capital assets.

Effect: Possible misstatement of capital assets due to the fact that the Department is not recording capital asset transfers and disposals in accordance with MAPs.

Recommendation: We recommend that management establish effective controls necessary to ensure that capital asset transfers and disposals are recorded as they occur, not when the year-end capital asset inventory is performed. Additionally, we recommend that internal controls associated with the custody of property be established and followed to minimize further occurrences of missing capital assets. This includes strict adherence to MAPs FIN 6 pertaining to the proper accounting treatment for transferred or disposed capital assets.

Management's Response: Management concurs with the finding. PED will establish and implement internal controls once the new fixed asset inventory system is in place, which will allow for proper recording of fixed assets when they are transferred and/or disposed. The Bureau Chief of Accounting and Audit is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-10 FAILURE TO NOTIFY SAO OF CAPITAL ASSET DISPOSALS – PED

Condition: A written notice to the State Auditor was not sent at least 30 days before the disposition of property. This disposition included computers for which a sanitization certification was not provided.

Criteria: Per the State Auditor Rule 2.2.2.10, Subsection V states that at least 30 days prior to any disposition of property on the agency inventory list described in Subsection Y of 2.2.2.10 NMAC, written notification of the official finding and proposed disposition duly sworn and subscribed under oath by each member of the authority approving the action must be sent to the State Auditor. This notification shall also include a detailed list of the property to be disposed of and the method by which the Department intends to dispose of the property. In the event that a computer is included in the planned disposition, the agency shall "sanitize" all licensed software and any electronic media pertaining to the agency. Hard drive erasure certification is still required even if the asset originally cost less than \$5,000 and was not included in the capital asset inventory.

Cause: Lack of effective internal controls associated with the disposition of property.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-10 FAILURE TO NOTIFY SAO OF CAPITAL ASSET DISPOSALS – PED - continued

Effect: Not in compliance with the State Auditor 2.2.2.10 requirements pertaining to the disposition of property. Information stored on missing equipment may compromise the Department.

Recommendation: We recommend that internal controls associated with the disposition of property be established and followed. This includes strict adherence to the State Auditor Rule.

Management's Response: Management concurs with the finding. PED will provide training on internal control procedures relating to proper disposal methods per State Auditor Rule 2.2.2.10 V. The Bureau Chief of Accounting and Audit is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-11 LACK OF APPROVAL FOR PER DIEM, CONTROL DEFICIENCY - DVR

Condition: During our Per Diem test work, we noted that 1 of the 40 samples tested had an Itemized Expense Schedule that was submitted and was not approved by a supervisor. The total amount not approved but paid was \$121.

Criteria: In accordance with the Manual of Model Accounting Practices (MAPs), section FIN 5 requires an Itemized Expense Schedule to obtain Agency approval prior to the issuance of a warrant.

Cause: Inefficiencies by management in reviewing travel reimbursements for conformity with the requirements of MAPs.

Effect: The Department is not in compliance with FIN 5 of MAPs.

Recommendation: We recommend that management establish controls and procedures that require vouchers to be properly reviewed and approved.

Management's Response: Within NMDVR's Travel Reimbursement Request Policy & Procedure, the program Supervisor is responsible for insuring that employees under their supervision request travel verbally or in writing prior to commencing travel. This is utilized to insure that travel requested is actually completed and for reviewing and verifying approval of employee travel reimbursement requests after travel is completed.

NMDVR's Accounts Payable staff is responsible for reviewing travel reimbursement requests for accuracy and compliance with the Per Diem and Mileage Act and NMDVR policy and procedure. This responsibility of ensuring request are accurate also requires Accounts Payable staff to obtain corrections for requests containing inaccuracies or needing further clarification.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-11 LACK OF APPROVAL FOR PER DIEM – DVR - continued

Management's Response- continued: Once reviewed by NMDVR's Accounts Payable staff, documentation is then submitted for final approval by the Department of Finance and Administration (DFA) for payment.

In this instance, review of supervisor signature was overlooked by both NMDVR Accounts Payable and DFA staff. Measures to avoid re-occurrence will include a preliminary review of the Itemized Schedule of Travel Expenses (ISTE) requests by the Administrative Services Administrative Assistant at point of receipt at time of sorting and date stamping incoming mail. This will allow Accounts Payable staff to perform a second review ensuring that signatures are properly obtained prior to processing requests to DFA. If not complete, Accounts Payable will proceed with a rejection back to the responsible program's Administrative Assistant submitting the ISTE request on behalf of the individual traveling

The Chief Financial Officer and the Accounts Payable Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-12 UNTIMELY DEPOSITS OF CASH RECEIPTS, CONTROL DEFICIENCY - DVR

Condition: During our cash receipts test work, we noted that 1 of 40 cash receipts tested were deposited two days after the cash receipt was received. The total amount of cash receipts not deposited timely was \$31,183.

Criteria: In accordance with MAPs, section FIN 2.1 states, "All State agencies must deposit all monies received with STO or with the authorized banking institutions by the close of the next business day after receipt."

Cause: Lack of effective internal controls surrounding the cash receipts process; management oversight.

Effect: The Department is not in compliance with FIN 2 of MAPs. The untimely deposit of cash may lead to loss of interest on the deposited cash, or asset misappropriation.

Recommendation: We recommend that management establish controls necessary to ensure that all cash received is recorded at the time of receipt and deposited by the end of the next business day.

Management's Response: In this instance the deposit was prepared and signed off on the same day of receipt and placed in a secured drawer located in a vacant office outside of the Grant's Management unit for appropriate DVR staff to remit the bank on the same day.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-12 UNTIMELY DEPOSITS OF CASH RECEIPTS – DVR - continued

Management's Response - continued: This deposit was not delivered to the bank on the same day and follow-up did not take place by Grants Management to ensure that it was deposited. We accept the recommendation made by the auditors and will follow-up to ensure that all cash received is recorded at the time of receipt and deposited by the end of the next business day. In order to ensure timely deposits to the banking institution, the Grants Management Section will now hold and secure each deposit within their unit and contact will be initiated by the appropriate Grant Management Accountant at the completion of a deposit to the appropriate DVR staff in charge of daily runs to DFA that a deposit is to be made to the respective banking institution.

The Chief Financial Officer and the Grants and Budget Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-13 CONTROL DEFICIENCY OVER THE ISSUANCE OF BUS PASSES - DVR

Condition: During our internal control walk-through, it was noted that 1 of the 5 field offices in Albuquerque had several bus passes that could not be located and were not tracked properly.

Criteria: Bus passes should be kept in a lockbox or safe deposit box, pre-numbered and tracked through a bus pass log which is reconciled on a monthly basis. Bus passes should be considered an asset that can easily be converted to cash.

Cause: Lack of effective internal controls surrounding the issuance of bus passes; management oversight.

Effect: Lack of effective controls surrounding the issuance of bus passes.

Recommendation: We recommend that management establish controls and procedures over the issuance of bus passes. Additionally, we suggest that all bus passes be reconciled and reviewed on a monthly basis.

Management's Response: In this particular instance management accepts the recommendation related to establishing controls and procedures over the issuance of bus passes. In this instance, all bus passes were located, however that does not mitigate the fact that a procedure and policy will need to be utilized for those Rehabilitation Service Field offices that utilize bus passes. Collaboration efforts will need to be developed between the Rehabilitation Services Unit and Administrative Services Unit to ensure that monthly reconciliations are provided to the Rehabilitation Services Unit head as well as the Chief Financial Officer. The Chief Financial Officer and the Rehabilitation Services Program Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**10-14 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS FOR PERSONAL ITEMS - DVR**

Condition: During our test work on financial and A-133 single audit attributes associated with allowed activities and costs, we noted 1 of the 40 items tested was un-allowed since it was a purchase for a personal item. The amount of the exception totaled \$39.50.

Criteria: Per OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, and A-133, *Allowed Activity/Allowed Cost*, personal items are un-allowable costs.

Cause: Lack of internal controls associated with an adequate review process of purchase orders.

Effect: The Department is in violation of procurement per federal requirements in addition to OMB Circular A-87.

Recommendation: We recommend that management establish effective controls necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs.

Management's Response: NMDVR's Program Managers review & approve all administrative type requisition requests for his/her department. Procurement Staff is then responsible for conversion of the requisition to a purchase order, if all state/federal rules/regulations have been met. The purchase order is then approved at DFA level; Procurement Staff provide an electronic copy to the Program Manager and file in agency suspense file (for audit purposes). Once the goods and services are received by the Program, the payment request is submitted with approval by the Program Manager. The payment request is then submitted (paper document w/cover sheet) to Procurement staff for review/audit prior to submittal to Accounts Payable.

In this instance, NMDVR Procurement staff became aware of a purchase through pre-auditing of the payment request after the payment had already been processed by NMDVR's accounts payable staff. Oversight on the unit of measure occurred during the creation of the PO, where the procurement staff thought the procurement of the said item was at twelve (12) each, not 1 each. In order to mitigate further types of instances, NMDVR procurement staffs are verifying that all purchase order descriptions are clearly delineated to ensure that items appear reasonable, and are paying closer attention to quantity and unit of measure.

The Chief Financial Officer and the General Services and Procurement Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNREASONABLE AND UNALLOWABLE COSTS - DVR

Condition: During our test work on financial and OMB A-133 single audit attributes associated with allowed activities and costs, we noted 2 of the 40 items tested did not appear to be reasonable and justifiable per the federal award. The first exception totaled \$4,500 for ten 24” LCD flat screen computer monitors. The individual price for the computer monitors was purchased for \$450. However, a comparable flat screen monitor was purchased at an average price of \$230. The second exception totaled \$812.90 for two chairs. A comparable chair listed by the same vendor and two other external sources had an average price of \$225. The above stated exceptions were not purchased in order to accommodate an individual impairment and were isolated for one internal department.

Criteria: Per OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, only reasonable and justifiable purchases are allowed.

Effect: The Department is in violation of federal requirements and OMB Circular A-87. Improper review may result in improper disbursement of purchase orders or improper use of federal funds.

Recommendation: We recommend that management establish effective controls necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs.

Management’s Response: NMDVR’s Management provides the following justification for the 24 inch monitor purchased for the Information Technology unit. Based on the justification, Management believes that the additional cost of the monitors is reasonable and justifiable per the reasonable person tenet per 2 CFR 225 (A-87).

The Information Services Unit has a need for high performance workstations and monitors to perform daily IT business tasks. The performance of the monitor and desktop is essential to monitoring and measuring of the agency network, infrastructure, agency applications (both off the shelf and in-house developed), which are maintained and supported by IS Unit Staff. IS Staff write lengthy code which require a larger monitor screen to view the entire code. The determination of the specific equipment needed to meet the performance required was thoroughly researched by the CIO and after feedback from the IS Unit staff, the most cost effective equipment was selected from the least expensive vendor. The vendor selection (only State required Save Smart Vendors) and product availability was limited, but the monitors selected were the most cost effective. Given the business needs of the IS Unit, it is not viable to compare the 24” monitors to 20”/22” inch monitors. A more realistic comparison would be 24” monitors with the same specifications for the given time of purchase.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNREASONABLE AND UNALLOWABLE COSTS - DVR- continued**

Management's Response- continued: Prior to this purchase the IS Unit had not replaced their workstations for over 5 years, which is well beyond the industry replacement standard of 2-3 years and the agency standard of 3-4 years. It is a practice of the IS Unit to purchase high performance equipment for the unit with the forethought that the equipment will need to be operable beyond the existing replacement standards and adaptable to the frequent industry changes and demands of technology.

While we disagree with the specific finding, management agrees that effective controls are necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs. Therefore, the following action steps have or will be implemented:

- All equipment, furniture and capital outlay budget with the exception of Information Technology has been centralized to the General Services budget. This would require that requests for any purchases are justified through the Financial Management Unit prior to execution of a purchase order.
- Due to the economy, the line items for equipment, furniture and capital outlay budget with the exception of Information Technology has been reduced to minimal amounts.
- The Chief Financial Officer has regularly been submitting information to Program Managers regarding budget constraints and budget management.
- The Financial Management Unit /Procurement Section have increased scrutiny of all Administrative Type purchases.
- A budget management policy will be developed and implemented by June 30, 2011.
- Procurement staff will use the approved NMDVR's Information Technology (IT) plan to ensure that request for procurement of IT goods/services are in alignment with the IT plan prior to the conversion of a purchase order. The General Services/Procurement Manager, Chief Information Officer and Chief Financial Officer will collaborate to review and insure that all purchases of Information Technology (IT) equipment and furniture meet the requirements of A-87 and utilize appropriate price agreements/contracts established by State Purchasing Department.
- By June 30, 2011 training will be provided to all Program Managers on 2 CFR 225(A-87).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNREASONABLE AND UNALLOWABLE COSTS - DVR- continued

Management's Response- continued: The Chief Financial Officer and the General Services and Procurement Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Auditor's Response: As noted above in management's response, management agrees that the necessary internal controls are needed around sensitive purchases.

10-16-CS SAS-115 – INEFFECTIVE OVERSIGHT OF THE FINANCIAL REPORTING
AND INTERNAL CONTROLS FOR STATE AUTHORIZED CHARTERED SCHOOLS,
SIGNIFICANT DEFICIENCY

Condition: While conducting our audit for FY2010, we noted that most of the state authorized chartered schools do not have the necessary staff to prepare, perform and interpret the basic quarterly financial statements, month end reconciliations, and the necessary and required financial schedules in accordance with GAAP and GASB since most financial records are recorded on a cash basis. In addition, audit adjustments for state authorized charter schools were required in excess of customary year-end adjustments.

In general, state authorized chartered schools should be able to produce accurate and timely financial information to enable well-informed business decisions to be made on a daily basis. Additionally, executive skills and knowledge of critical areas should not be centralized in any single employee or external contractor, because this substantially increases the potential risk of loss in the event of that employee's incapacity or leaving the employment of the organization, or if external contract is discontinued.

Criteria: Per SAS-115, *Communicating Internal Control-Related Matters Identified in an Audit*, the auditor must determine whether the client has sufficient accounting competence and knowledge to detect or prevent a misstatement or mistake over financial reporting. The state authorized charter schools should possess the ability to perform accounting transactions such as recording cash/investment activity, maintaining a capital asset listing and preparing financial statements and supporting schedules, in addition to understanding the process. A system of internal control over financial reporting does not stop at the general ledger; rather, it includes controls over the preparation of the financial statements and supporting schedules as well.

Cause: Presently, most of the state authorized chartered schools are not capable of producing a complete set of financial statements, including required footnote disclosures. The Department and state authorized chartered schools have not communicated well in regard to fiscal accountability and responsibility and internal controls necessary to operate a state authorized chartered school.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-16-CS SAS-115 – INEFFECTIVE OVERSIGHT OF THE FINANCIAL REPORTING AND INTERNAL CONTROLS FOR STATE AUTHORIZED CHARTERED SCHOOLS - continued

Cause - continued: Most of the state authorized chartered schools lacked the adequate number of qualified accounting personnel and experience to provide accurate and reliable financial information for the 2010 audit. Additionally, most state authorized chartered schools rely extensively on external contractors to perform the required and necessary day-to-day financial and accounting activities. Furthermore, the Charter School Division in conjunction with the Public Education Commission within the Department has made substantial gains in approving and authorizing newly created or public school transfers within a short period of time for the status of state authorized chartered schools thus creating an abundance of state authorized charter schools with lack of proper financial training to perform the day-to-day financial related activities.

Effect: Inefficiency may cause the financial records and financial statements to be misrepresentative as well as allow possible irregularities. The fact that most of the state authorized chartered schools do not currently have the capacity to prepare the financial statements diminishes the adequacy of the internal control structure as there are not adequate qualifications and training among personnel to apply GAAP and GASB. The Department may be unable to produce accurate interim financial statements.

Recommendation: We recommend the Department and state authorized chartered schools develop and implement internal controls over the financial reporting process to facilitate the creation of timely and accurate reconciling schedules and financial statements. If external contractors are to be utilized to handle the necessary day-to-day financial and accounting activities, the Department and the state authorized chartered schools needs to provide more fiscal oversight and guidance.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding. The Bureau Chief of Accounting and Audit, the Director of School Budget and Financial Analysis Bureau, and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-17-CS SIGNIFICANT DEFICIENCY OVER PERSONNEL FILE MAINTENANCE

Schools:

Albuquerque Sign Language Academy (ASLA)
Cien Aguas International School (CAIS)
Cottonwood Classical Preparatory School (CCPS)
The New America School (NAS)

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-17-CS SIGNIFICANT DEFICIENCY OVER PERSONNEL FILE MAINTENANCE - continued

Condition (ASLA): During the internal control test work for payroll, it was noted that personnel file for the only individual employed for the school did not include a completed I-9 form.

Condition (CAIS): During the internal control test work for payroll, it was noted that 1 out of 2 personnel files, did not include a completed I-9 form and did not have a copy of the employees' employment contract.

Condition (CCPS): During the internal control test work for payroll, it was noted that 1 out of 20 personnel file for the only individual employed for the school did not include a completed *Certificate of Eligibility for Exchange Visitor (J-1) Status* form and did not have a copy of the employees' employment contract.

Condition (NAS): During the internal control test work for payroll, it was noted that the personnel file for the only individual employed for the school did not include a copy of the employee's employment contract.

Criteria: Per NMAC 6.20.2.18 requires schools to maintain and have available for inspection payroll related documents, such as: employment contracts, certification records, personnel/payroll action forms, I-9's, W-4 pay deduction authorizations, pay posting change notices, Educational Retirement Act plan applications and direct deposit authorizations. Moreover, NMSA 1.18.378.17 states that an agency must verify employment eligibility and have a completed I-9 form in the personnel file upon hire.

Cause: Lack of internal controls over the proper human resources record management process.

Effect: The agency is not in compliance with NMAC 6.20.2.18 and NMSA 1.18.378.17, missing information could lead to legal issues concerning employees' eligibility to work for the state agency and wages paid may not agree to the contracted amount for payroll.

Recommendation: We recommend that management implement the policies and procedures necessary to allow for proper human resources record management.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper supporting documentation is maintained within personnel files. The Bureau Chief of Accounting and Audit and the Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-18-CS LACK OF APPROVAL FOR EXPENSE REIMBURSEMENT, CONTROL DEFICIENCY

Cottonwood Classical Preparatory School (CCPS)

Condition: During our Expense Reimbursement test work, we noted that 1 of 20 samples tested had an Itemized Expense Schedule that was submitted and was not approved by a supervisor. The total amount of the expense reimbursement that was not approved but the amount paid was \$20.

Criteria: In accordance with the Manual of Model Accounting Practices (MAPs), section FIN 5 requires an Itemized Expense Schedule to obtain Agency approval prior to the issuance of a warrant. Additionally, FIN 16 of MAPs requires all accounting reports must be reviewed for accuracy and completeness to ensure that all transactions are recognized and recorded.

Cause: Inefficiencies by management in reviewing expense reimbursements for conformity with the requirements of MAPs.

Effect: The State Authorized Chartered School is not in compliance with FIN 5 and 16 of MAPs.

Recommendation: We recommend that management establish controls and procedures that require expense reimbursements to be properly reviewed and approved.

Management's Response: PED's management has reviewed the state authorized chartered school's individual response and concurs with the finding and will implement policies and procedures to ensure proper controls and procedures are followed for expense reimbursements. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-19-CS CONTROL DEFICIENCY OVER LEASE PAYMENTS

School:

The International School at Mesa del Sol (TIS)
School of Dreams Academy (SODA)

Condition (TIS): During the lease test work, it was noted the rent for the year had not been paid to a school district per the signed lease agreement. The amount of the lease to the school totaled \$39,590.

Condition (SODA): During the lease test work, it was noted that the school had over-paid the lessor \$50 each month for an eight month time period. The total amount overpaid was \$400.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-19-CS CONTROL DEFICIENCY OVER LEASE PAYMENTS - continued

Criteria: Per NMAC 6.20.2.17, each school shall establish and implement written policies and procedures for purchasing, which shall be in compliance with the State procurement code, NMSA Section 13.1.2.1.

Cause: Lack of effective internal controls surrounding the cash disbursements for monthly lease payments and management oversight.

Effect: The State Authorized Charter Schools are not in compliance with NMAC 6.20.2.17 and NMSA 13.1.2.1.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure timely and correct cash disbursements to lessors.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper cash disbursements are made to lessors per the agreed and signed contract. The Bureau Chief of Accounting and Audit and the Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-20-CS CONTROL DEFICIENCY OVER EMPLOYEE BACKGROUND CHECKS

Schools:

The ASK Academy (ASK)
Media Arts Collaborative Charter School (MACCS)
The New America School (NAS)
School of Dreams Academy (SODA)

Condition (ASK): During the internal control test work for payroll, it was noted that a background check was not performed on a timely basis before the start of the school year for the schools single employee.

Condition (MACCS): During the internal control test work for payroll, it was noted that 1 out of 5 employees did not have a background check.

Condition (NAS): During the internal control test work for payroll, it was noted that 1 out of 5 employees did not have a background check. Additionally, 3 of the 5 background checks were not performed in a timely manner.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-20-CS CONTROL DEFICIENCY OVER EMPLOYEE BACKGROUND CHECKS - continued

Condition (SODA): During the internal control test work for payroll, it was noted that 2 employees, which constitutes the entire population, did not have a background check.

Criteria: According to 22-10.3.3 NMSA 1978, policies and procedures should be developed requiring background checks on an applicant who has been offered employment with unsupervised access to students at a charter school.

Cause: Lack of controls associated with background checks.

Effect: The State Authorized Chartered Schools are not in compliance with NMSA 22-10.3.3.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure timely background checks for employees who have unsupervised access to students at charter schools.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper employee background checks are performed and completed in a timely fashion. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-21-CS CONTROL DEFICIENCY OVER THE ISSUANCE OF CHECKS

School:

Cesar Chavez Community School (CCCS)

Condition: During our cash disbursement test work, it was noted that 4 out of 25 cash disbursements included cancelled checks that did not have the printed terminology of, "void after one year from date". The total amount of the exceptions totaled \$343.32.

Criteria: Per NMAC 6.20.2.14, cash control standards require each warrant or check issued to have printed, "void after one year from date" on the face of the check. Whenever any warrant or check is unpaid for one year, the fiscal officer shall cancel it in accordance with Section 6-10-57 (A), NMSA 1978.

Cause: Lack of internal controls associated with checks.

Effect: The State Authorized Chartered School is not in compliance with NMAC 6.20.2.14.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-21-CS CONTROL DEFICIENCY OVER THE ISSUANCE OF CHECKS - continued

Recommendation: We recommend that management establish and follow policies and procedures around the issuance of checks.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure checks include the terminology, "void after one year from date". The Bureau Chief of Accounting and Audit and the Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-22-CS SIGNIFICANT DEFICIENCY OVER MONTHLY REPORTING FOR PAYROLL AND RETIREMENT CONTRIBUTIONS

Schools:

The Albuquerque Sign Language Academy (ASLA)
Cottonwood Classical Preparatory School (CCPS)
Cesar Chavez Community School (CCCS)
Cien Aguas International School (CAIS)
Creative Education Preparatory Institute #1 (CEPI)
Gilbert L. Sena Charter High School (GSH)
The International School at Mesa del Sol (TIS)
The New America School (NAS)
Taos Academy Charter School (TACS)

Condition (ASLA): During the payroll test work, it was noted that the school submitted the CRS payments for October and May untimely to the Taxation and Revenue Department. Additionally, the schools submitted three monthly ERB reports untimely.

Condition (CCPS/NAS/TACS): During the payroll test work, it was noted that the school submitted monthly RHC and ERB reports untimely and the reports did not reconcile to the general ledger.

Condition (CEPI/CCCS/CAIS/GSH/TIS): During the payroll test work, it was noted that the school submitted monthly RHC and/or ERB reports untimely.

Condition (CCPS/TIS): During the payroll test work, it was noted that the school submitted quarterly 941-IRS Reports and reconciliation was late, and/or the tax report did not reconcile to the general ledger for the fiscal year 2010.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-22-CS SIGNIFICANT DEFICIENCY OVER MONTHLY REPORTING FOR PAYROLL AND RETIREMENT CONTRIBUTIONS - continued

Criteria: Per 10-7C-15, NMSA 1978, monthly reports and contributions to the RHC are required to be remitted no later than the 10th of the following month and to the ERB no later than the 15th of the following month.

Per Section 12-6-5, NMSA 1978 requires the annual financial and compliance audit agencies to “set out in detail, in a separate section, any violation of law or good accounting practices found by the auditor or examination.” Therefore, any instance of weakness in internal control as defined by GAGAS 5.13 and SAS AU 325.21 must be reported.

Cause: Lack of internal controls preparing and reviewing the required reports.

Effect: The State Authorized Chartered Schools are not in compliance with 10-7C-15, NMSA 1978 and Section 12-6-5, NMSA 1978. The schools are in violation of RHC, ERB and/or Taxation and Revenue Department requirements and can be subject to penalties.

Recommendation: We recommend that management establish and follow policies and procedures that implements a system which would ensure that state reports are processed and paid timely and consistently.

Management’s Response: PED’s management has reviewed the state authorized chartered schools’ individual responses and concurs with the finding and will implement policies and procedures to ensure timely reporting. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-23-CS CONTROL DEFICIENCY OVER THE RECORDING OF BOARD MINUTES

Schools:

New Mexico School of Architecture, Construction and Engineering (NMACE)

Condition (NMACE): The school was unable to provide minutes for the May 17, 2010 governing council meeting.

Criteria: Open Meeting Act Section 10-15-1, NMSA 1978, states that the policy-making body shall keep written minutes of all its meetings. Draft minutes shall be prepared within ten (10) working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-23-CS CONTROL DEFICIENCY OVER THE RECORDING OF BOARD MINUTES - continued

Cause: Lack of internal controls over board meeting minutes.

Effect: State Authorized Chartered School is not in compliance with Open Meeting Act Section 10-15-1, NMSA 1978.

Recommendation: We recommend that management establish and follow policies and procedures in recording board minutes.

Management's Response: PED's management has reviewed the state authorized chartered school's individual responses and concurs with the finding and will implement policies and procedures to ensure proper documentation of board minutes. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-24-CS CONTROL DEFICIENCY OVER BUDGET ADJUSTMENT REQUESTS

Schools:

Creative Education Preparatory Institute #1 (CEPI)
New Mexico School for the Arts (NMSA)

Condition (All Schools): During the budget test work, we noted that no internal budget adjustment request's (BAR's) were prepared for changes between functions and were neither submitted to the PED through-out fiscal year 2010. The amount of BAR's not recorded totaled \$10,454 for CEPI and \$41,563 for NMSA.

Criteria: In accordance with 6-6-6 NMSA 1978 and in conjunction with PED's requirements, school districts and charters are required to follow the PED procedures relating to Budget Adjustment Requests. This includes ensuring that BARs are included in final budget amounts reported in the school's PED report.

Per Section 6.20.2.10 A, NMSA 1978, "Budget adjustment requests shall be submitted on the most current form prescribed by the SDE. The school district shall maintain a log of all budget adjustment requests to account for status, numerical sequence, and timely approval at each level. The log is to be retained for audit purposes."

Cause: Lack of internal controls preparing, submitting, and reviewing budget adjustments.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**10-24-CS CONTROL DEFICIENCY OVER BUDGET ADJUSTMENT REQUESTS -
continued**

Effect: The State Authorized Chartered Schools are not in compliance with 6-6-6 NMSA 1978 and 6.20.2.10 A, NMSA 1978.

Recommendation: We recommend that management establish and follow policies and procedures that implements a system which would ensure that BAR's are properly filled out and submitted for the PED's approval before any action is taken at the school.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure BAR's are properly filled out and submitted for the PED's approval before any action is taken at the school. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-25-CS SIGNIFICANT DEFICIENCY RELATED TO ANTI-DONATION CLAUSE

School:

Gilbert L. Sena Charter High School (GSH)
New Mexico School for the Arts (NMSA)

Condition (All Schools): During the internal control test work for payroll, it was noted that employee's compensation included the reimbursement for a personal cell phone and no records were maintained or documented to demonstrate how much time was for personal and business use.

Criteria: Per Article IX, Section 14 of the Anti Donation Clause states that public funds may not be expended for the benefit of someone other than the intended recipients.

Cause: Failure of internal controls in reviewing compensation and reimbursements for employees'.

Effect: The State Authorized Chartered School is not in compliance with the Anti Donation Clause.

Recommendation: We recommend that management establish and follow policies and procedures to review all expenses, whether business or personal use, to ensure that funds expended are solely for the benefit of the students and organization and not for personal use.

Management's Response: PED's management has reviewed the state authorized chartered school's individual responses and concurs with the finding and will implement policies and procedures to ensure proper controls are in place for reviewing expense reimbursements. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-26-CS CONTROL DEFICIENCY IN RECORDING EXPENSES

Schools:

Alma d'Arte Charter High School (Alma)
The International School at Mesa del Sol (TIS)

Condition (all schools): During the expense test work, we noted that the donated rent had not been recorded during the fiscal year 2010. The amount of the donated rent that was not recorded totaled \$85,273.

Criteria: Per NMAC 6.20.2.11 Internal Control Structure Standards, every school shall establish and maintain internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Cause: Failure of internal controls in recording transactions to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 6.20.2.11.

Recommendation: We recommend that management establish and follow policies and procedures to review all expenses, to ensure transactions are recorded properly in accordance with GAAP.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper accounting procedures are followed for recording financial transactions. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-27-CS LACK OF CAPITALIZATION OF ASSETS , CONTROL DEFICIENCY

School:

New Mexico School for the Arts (NMSA)

Condition: During the capital asset test work, we noted assets were not capitalized in fiscal year 2010. The amount of assets that needed to be capitalized totaled \$51,758.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-27-CS LACK OF CAPITALIZATION OF ASSETS, - continued

Criteria: According to NMAC 6.20.2.22 (C), assets of a long-term character which are intended to continue to be held or used, such as land, buildings, furniture, machinery and equipment, shall be acquired and accounted for through the development and implementation of a complete property control system which shall be adopted by the local board and in accordance with GAAP. Assets with a cost of \$5,000 or more are required to be capitalized.

Cause: Failure of internal controls in capitalizing capital assets.

Effect: The State Authorized Chartered School is not in compliance with NMAC 6.20.2.22 (C), and improper recording of capital assets would have resulted in a misstatement of the financial statements on the government-wide basis.

Recommendation: We recommend that management establish and follow policies and procedures to ensure proper recording of capital assets.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper accounting procedures are followed for capital assets. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-28-CS COMPLIANCE FINDING OVER MILEAGE REIMBURSEMENTS

School:

Cottonwood Classical Preparatory School (CCPS)
Cesar Chavez Community School (CCCS)
Creative Education Preparatory Institute #1 (CEPI)
Gilbert L. Sena Charter High School (GSH)
Horizon Academy West (HAW)
The New America School (NAS)
New Mexico School for the Arts (NMSA)
Taos Academy Charter School (TACS)

Condition (All Schools): During the Per Diem test work, we noted that the schools reimbursed employees' with the incorrect State mileage rates. The schools either underpaid or overpaid their employees' by approximately \$0.10 per mile.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-28-CS COMPLIANCE FINDING OVER MILEAGE REIMBURSEMENTS - continued

Criteria: Per the Emergency Amendment to Section 11, Mileage, of the DFA Regulations Governing the Per Diem and Mileage Act, NMAC 2.42.2, dated June 19, 2009 amends the original state statute that requires State agencies to reimburse employees' and any class of public officials pursuant to Section 10-8-5 (D) NMSA, 1978, to 80% of the internal revenue service standard mileage rates set January 1 of the previous year.

Cause: Failure of internal controls in reimbursing employees per the amended Per Diem and Mileage Act.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 2.42.2 and Section 10-8-5 (D) NMSA, 1978.

Recommendation: We recommend that management establish and follow policies and procedures to ensure proper reimbursement for mileage accrued in the use of a private vehicle for job related purposes.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper reimbursement procedures are followed for per diem and mileage. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-29-CS COMPLIANCE FINDING OVER PER DIEM REIMBURSEMENTS

School:

Alma d' Arte Charter High School (Alma)

Condition: During the Per Diem test work, we noted that the schools reimbursed an employee for an alcoholic beverage that totaled \$13.61 and personal apparel for \$19.95.

Criteria: Per the state grant agreement that reimbursed the employee, unallowed costs, which included alcoholic beverages and items for personal use, shall not be reimbursed.

Cause: Failure of internal controls in reimbursing employees per the state grant agreement.

Effect: The State Authorized Chartered School is not in compliance with their state grant agreement.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

10-29-CS COMPLIANCE FINDING OVER PER DIEM REIMBURSEMENTS - continued

Recommendation: We recommend that management establish and follow policies and procedures to ensure proper compliance with their grant agreements.

Management's Response: PED's management has reviewed the state authorized chartered school's individual response and concurs with the finding and will implement policies and procedures to ensure proper reimbursement per their grant agreements. The Bureau Chief of Accounting and Audit and the Head Administrator is the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-30-CS CONTROL DEFICIENCY OVER EXCESS AMOUNT BUDGETED FROM UNAVAILABLE BEGINNING CASH BALANCE

School:

- Alma d' Arte Charter High School (Alma)
- Cien Aguas International School (CAIS)
- Cottonwood Classical Preparatory School (CCPS)
- Creative Education Preparatory Institute #1 (CEPI)
- Media Arts Collaborative Charter School (MACCS)
- North Valley Academy (NVA)

Condition (All schools): During the budget test work, it was noted that the school had budgeted from unavailable cash balance within the following categories:

School	FUND	Excess Amount Budgeted From Unavailable Cash
Alma	CS – Walton Family Foundation	\$ 12,899
CAIS	CS – Instructional Materials	15,116
CCPS	CS – Operational	143,455
CCPS	CS – Charter School	232,383
CEPI	CS – Public School Capital Outlay	41,747
MACCS	CS – Operational	123,564
NVA	CS – Operational	<u>30,528</u>
	Total	\$ <u>599,422</u>

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**10-30-CS CONTROL DEFICIENCY OVER EXCESS AMOUNT BUDGETED FROM
UNAVAILABLE BEGINNING CASH BALANCE - continued**

Criteria: Per NMAC Title 6, Chapter 20, Part 2.9A states budgets should be established based on available funds.

Cause: Unavailable cash was budgeted to cover over-expenditure during FY2010.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC Title 6, Chapter 20, Part 2.9A.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure proper budgets are established with available funds.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure budgets are created with available funds. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

PRIOR YEAR FINDINGS

09-01 CONTROL DEFICIENCY OVER FORMAL BACKUP POLICIES AND PROCEDURES – PED/DVR

Condition: The Department does not have formal finalized backup policies and procedures per statewide policy of backup standards, S-STD010.001.

Criteria: Per New Mexico State Information Backups Standards, S-STD010.001, all agencies should document policies, procedures and retention of backups.

Cause: Management does not currently consider this issue a priority.

Effect: None-compliance with Backups Standards, S-STD010.001. Improper backup may result in a loss of sensitive financial data in the event of a system failure.

Recommendation: We recommend that management should make drafting and formalizing backup policies and procedures a high priority, and consequently, develop formal finalized policies and procedures.

Management's Response: Management concurs and considers this an important issue but the department doesn't have enough resources to do all the procedures. We have a basic practice and will forward upon request. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-02 CONTROL DEFICIENCY OVER CASH DISBURSEMENTS TO STATE-CHARTERED SCHOOLS & DISTRICTS – PED

Condition: During the internal controls testing for cash disbursements to charter schools and school districts, MCO noted that the request for reimbursements (RfRs) were processed greater than 35-days per the Department's internal policies and procedures in processing request for reimbursements (RfRs) through OBMS. The delay in processing the RfRs was noted to be within the Program level after the district/charter submitted RfRs for approval, the latest approved RfR was more than 80-days. Moreover, the time frame for processing from the Program level to ASD was processed on an average of 5 business days. MCO noted that 6 of the 40 RfRs for districts/charters were not reviewed and approved in a timely fashion totaled \$64,192.10.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**09-02 CONTROL DEFICIENCY OVER CASH DISBURSEMENTS TO STATE-
CHARTERED SCHOOLS & DISTRICTS – PED - continued**

Criteria: The Department is required to reimburse state-chartered schools and districts for the expenditures incurred within 35-days from the day of approval per the Department's internal policies and procedures.

Cause: Failure of controls over the reimbursement process for RfRs through OBMS.

Effect: State-chartered schools and districts may have cash deficits due to the untimely processing of RfRs. The delay of RfRs may hold available cash that can be used for other services that may aid in the day-to-day activities within the organization.

Recommendation: We recommend that management establishes and implements procedure to ensure timely cash reimbursements to state-chartered schools and districts according to the time frame established by the Department.

Management's Response: Management concurs with the finding and that adherence to an established time frame for processing of reimbursements is critical for district/charter schools to be able to anticipate a consistent cash flow. Huge gains have been made in the effort to reduce turn-around time of payments. The Department's requirement of a 35-day turnaround is based on the assumption that the district/charter school has provided the required documentation and has complied with expenditure requirements of the grant funding source. Some of the delays far exceeding the 35-day turn around aren't meeting these requirements. While the Department intends to reimburse district/charter schools within the 35-day time frame, the primary focus is compliance with grant conformance and expenditure requirements. The PED will continue to work to reduce turn-around times in order to adhere to established timelines. The Bureau Chief of Accounting and Audit and the Bureau Chief of Flow-through are responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-03 SIGNIFICANT DEFICIENCY OVER FIXED ASSETS RECORD KEEPING – PED

Condition: Fixed assets are not maintained in accordance with New Mexico Administrative Code 2.20.1.8 requirement. The Department tracks fixed assets on an Excel spreadsheet that does not specify acquisition dates, which significantly complicates the process of verifying balances of the estimates.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-03 SIGNIFICANT DEFICIENCY OVER FIXED ASSETS RECORD KEEPING – PED - continued

Criteria: New Mexico Administrative Code 2.20.1.8, *Fixed Assets Accounting System*, states that the fixed assets listing shall include: Agency Name, Fixed Asset Number, Description, Location, Manufacturer Name, Model Number, Serial Number, Estimated Useful Life, Date Acquired, Cost, Fund and Organization that Purchased the Asset.

Cause: Failure and lack of internal controls over maintaining a proper fixed assets accounting system.

Effect: Due to the lack of information that significantly effects the estimate calculations; the Department may have errors estimating the expense and related addition to accumulated depreciation account.

Recommendation: We recommend that management creates and maintains a proper fixed asset system that includes all the necessary information

Management's Response: Management concurs with the finding. PED will provide training on proper accounting procedures to maintain fixed assets according to New Mexico Administrative Code 2.20.1.8, *Fixed Assets Accounting System*. PED is in the process to purchase and Fixed Assets program to properly record and maintain fixed assets. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-05 CONTROL DEFICIENCY OVER REIMBURSEMENT OF TRAVEL EXPENDITURES – PED

Condition: During the per diem test work, it was noted that 1 out of 40 travel reimbursements was made for the actual expenses incurred in addition to partial day per diem rate. It was also noted that business travel was sponsored by an entity other than PED, therefore eliminating the right of the employee to the per diem rate reimbursement. The overpayment amounted to \$20.

Criteria: Per NMSA 2.42.2.9, Travel and Per Diem, Section 8, Per Diem Rates Proration, in the case of lodging and/or meals that are provided or paid for by the agency, the governing body, or another entity, the public officer or employee is entitled to reimbursement only for actual expenses.

Cause: Lack of controls associated with the per diem recalculation and review process.

Effect: The Department is not in compliance with NMSA 2.42.2.9.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**09-05 CONTROL DEFICIENCY OVER REIMBURSEMENT OF TRAVEL
EXPENDITURES – PED- continued**

Recommendation: We recommend the Department implements NMSA 2.42.2.9 requirements and implements a per diem recalculation and review procedures.

Management's Response: Management concurs with the finding. PED departments and employees of the Financial Services Bureau will be remained on per diem requirements and will be provided with instructions to comply with 2.42.2 NMAC. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-06 CONTROL DEFICIENCY OVER DEPOSIT OF CASH RECEIPTS – PED

Condition: During the cash receipts test work for Internal Controls, we noted that 3 of the 40 cash receipts were not stamped or logged in to identify the receipt date and the Department could not prove that the cash was deposited within 1 business day from the day of receipt. The total cash receipts that were not stamped and deposited timely amounted to \$23,888.

Criteria: Per Manual of Model Accounting Practices' (MAPs), FIN 2, all state agencies must deposit monies received with the State Treasurer's Office or with the authorized banking institution by the close of the next business day after receipt.

Cause: Failure of internal controls surrounding cash deposit process.

Effect: The Department is not in compliance with the FIN 2 of Manual of Model Accounting Practices (MAPs). The untimely deposit of cash may lead to loss of interest on the timely deposited cash or asset misappropriation.

Recommendation: We recommend that management establish and follow procedures necessary to ensure timely deposits of cash receipts as mandated by FIN 2 of Manual of Model Accounting Practices (MAPs).

Management's Response: Management concurs with the finding. Management will provide program personnel who receive checks with the policy and training to comply with this requirement. Management will communicate with all programs that receive payments, when procedures have failed or have not been followed, in order to make corrections and ensure timely deposit. High personnel turnover in the different departments may be one reason of this issue.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

**09-06 CONTROL DEFICIENCY OVER DEPOSIT OF CASH RECEIPTS – PED -
continued**

Management's Response - continued: The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-09 CONTROL DEFICIENCY OVER DISASTER RECOVERY PLAN – DVR

Condition: During the IT assessment, we noted that Division of Vocational Rehabilitation does not have a formal disaster recovery plan.

Criteria: Per New Mexico Statewide Policy S-STD003.001, IT Risk Management Standard, DVR should have a formal disaster recovery plan that is tested annually.

Cause: Management does not consider implementing disaster recovery plan a priority.

Effect: Possible loss of financial information as well as fiduciary breach and risk of data corruption.

Recommendation: We recommend that management implements, tests and finalizes a disaster recovery plan.

Management's Response: NMDVR will work with guidance from DoIT on developing and testing a formal disaster recovery plan. The Chief Financial Officer is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-12 CONTROL DEFICIENCY OVER APPROVAL OF VENDOR PAYMENTS – DVR

Condition: During the internal control walk through documentation, it was noted that payments being submitted from the Field to Accounts Payable in many cases appear to be "unauthorized services". In addition, several payments have violated the 45 Day Rule to render payment to vendor.

Criteria: Per NMDVR's exemption, the "Authorization for Purchase" replaces the Purchase Order format related to case service expenditures. However, DVR still requests to have a signed Authorization issued and in place prior to any goods or services being rendered. Payments have violated the 45 Day Rule mandated by the State Procurement code. NMSA 1978, Chapter 13, Public Purchases and Properties (13-1-158 Payment of Purchases) requires good and services are paid no later than 45 days after provided to the Agency or Client.

Schedule of Findings and Questioned Costs - continued

09-12 CONTROL DEFICIENCY OVER APPROVAL OF VENDOR PAYMENTS – DVR-continued

Cause: Designees other than the Counselor signing to authorize and certify goods or services have been received. Through Accounts Payable review, it has come to our attention that in some cases, a Rehab Tech or Secretary will sign on behalf of the Counselor. This break down of a control has prompted the Accounts Payable Fiscal Unit to obtain signature sheets for each Counselor and when Accounts Payable is reviewing an authorization, it does follow through with review of the Counselor signature. Related to 45 day payment violations, the Accounts Payable unit has instituted memos of justification from Field staff to justify why occurrences are being obtained.

Effect: Unauthorized transactions are being approved and paid.

Recommendation: We recommend that DVR identify the situations in which these unauthorized transactions are taking place and structure controls to mitigate these situations.

Management's Response: DVR's Fiscal Unit has required a memo for all unauthorized purchases as well as 45-day Rule violations from the respective Field areas. Memos are required to justify contributing factors related to procuring unauthorized good or services. In some instances, requests for payments are submitted to the Fiscal unit beyond the 45-day rule requirement, for which a memo of justification is required. Some instances related to the 45-day rule can be attributed to the time frame in which the Field Offices will receive a rejection letter due to other non-compliance issues surrounding unauthorized services and the timeframe to resubmit to Santa Fe for re-processing. DVR Fiscal unit will be providing training to staff to ensure that the Field Offices contain adequate internal controls to assure that goods and services are purchased after Counselor authorization is obtained and assure that payment requests are submitted to Santa Fe with sufficient time for processing. The Chief Financial Officer is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-13-CS COMPLIANCE FINDING OVER TIMELY CASH DEPOSIT

Schools:

Cesar Chavez Community School (CCCS)
Cien Aguas International School (CAIS)
Creative Education Preparatory Institute #1 (CEPI)
Horizon Academy West (HAW)
The International School at Mesa del Sol (TIS)
Media Arts Collaborative Charter School (MACCS)
North Valley Academy (NVA)

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-13-CS COMPLIANCE FINDING OVER TIMELY CASH DEPOSIT- continued

Condition (applies to all schools listed above): During the cash receipts test work, it was noted that the schools did not deposit cash within one business day from the date of receipt.

Criteria: Per Manual of Model Accounting Practices (MAPs) FIN 2, section 6-10-3, NMSA 1978, money received shall be deposited with the State Treasurer's Office or with an authorized banking institution by the end of the next business day after receipt.

Cause: Lack of internal controls associated with cash receipts and deposits.

Effect: The State Authorized Chartered Schools are not in compliance with Section 6-10-3, NMSA 1978; lack of timeliness of deposits could subject the schools to a possible occurrence of fraud.

Recommendation: We recommend the Department and state authorized chartered schools develop and implement internal controls over cash receipts in order to be compliant with state statutes.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and understands the importance of timely deposits and will ensure that all receipts are deposited within 24 hours of receipt at the school. Policies will be implemented to comply with Section 6-10-3, NMSA 1978 and personnel involved will be remained of the requirements. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-15-CS CONTROL DEFICIENCY OVER PAYROLL REVIEW

Schools:

Cottonwood Classical Preparatory School (CCPS)
South Valley Preparatory School (SVP)

Condition (CCPS): During the internal control test work for payroll, it was noted that 1 out of 20 employee's compensation was not properly allocated and recorded between the school and the foundation. The amount of the exception totaled \$6,677.

Condition (SVP): During the internal control test work for payroll, it was noted that 1 out of 20 employee's compensation had been overpaid by \$2,185.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-15-CS CONTROL DEFICIENCY OVER PAYROLL REVIEW - continued

Criteria: Per NMAC 2.20.2.11 require each school to develop, establish and maintain a structure of internal accounting controls and written procedures. This includes the review of proper documentation in employee files and ensuring accuracy of records in payroll systems.

Cause: Lack of internal controls associated with payroll disbursements.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 2.20.2.11.

Recommendation: We recommend the Department and state authorized chartered schools develop and implement internal controls over payroll. In addition, we recommend that payroll information be entered into the payroll system from the actual employees' contracts.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper controls and procedures are followed for payroll. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-16-CS CONTROL DEFICIENCY OVER PURCHASE ORDERS

Schools:

Albuquerque School of Excellence (ASE)
The ASK Academy (ASK)
Cien Aguas International School (CAIS)
Cottonwood Classical Preparatory School (CCPS)
Creative Education Preparatory Institute (CEPI)
Gilbert L. Sena Charter High School (GSH)
The International School at Mesa del Sol (TIS)
Media Arts Collaborative Charter School (MACCS)
The New America School (NAS)
School of Dreams Academy (SODA)
Taos Academy (TACS)

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-16-CS CONTROL DEFICIENCY OVER PURCHASE ORDERS- continued

Condition (applies to all schools listed above): Purchase orders were issued after the invoice date.

Condition (CAIS): During our test work of purchase orders, we noted the following exceptions:

- 1) 1 out of 25 items, the principal signed his own purchase order which totaled \$195.
- 2) 1 out of 25 items, there was an unsigned purchase order which totaled \$14,807.
- 3) 1 out of 25 items, there was an incorrect purchase order which totaled \$690.
- 4) 1 out of 25 items, no supporting documents were provided which totaled \$1,459.
- 5) 2 out of 25 items, quotes were missing, the amount that did not follow procurement procedures totaled \$21,637.

Condition (CEPI): During our test work of purchase orders, we noted the following exceptions:

- 1) 4 of 25 cash disbursements were missing supporting documentation which totaled \$16,057.
- 2) 1 out of 25 purchase orders were missing a signature which totaled \$638.

Condition (GSH): During our test work of cash disbursements, we noted the following exceptions:

- 1) 3 out of 25 purchases did not contain a purchase order which totaled \$2,505.
- 2) 3 out of 25 purchase orders could not be provided which totaled \$957.
- 3) 1 out of 25 purchase orders were not signed which totaled \$160.
- 4) 1 out of 25, the purchase requisition form was not signed and totaled \$826.

Condition (TIS): During our test work of cash disbursement, we noted the following exceptions:

- 1) 9 out of 25 purchases did not contain a purchase order which totaled \$24,598.
- 2) 2 out of 25 purchase order were missing supporting documentation which totaled \$11,620.
- 3) 25 out of 25 purchase orders were unsigned and totaled \$130,712.

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

Cause: Lack of internal controls associated with the purchase order process.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 6.20.2.17 and Section 13-1-21, NMSA 1978. The proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payments of invoices, resolution of disputes with vendors, etc. Improper control over purchase orders' documentation may result in fraudulent activity and improper reporting.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-16-CS CONTROL DEFICIENCY OVER PURCHASE ORDERS- continued

Recommendation: We recommend the Department and state authorized chartered schools develop and implement internal controls over purchasing procedures.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure compliance with State Procurement Code, Federal Requirements, and Executive Order 2009-044. Moreover, fiscal personnel will be trained on procurement procedures. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-17-CS CONTROL DEFICIENCY OVER CASH RECONCILIATIONS

Schools:

Albuquerque School of Excellence (ASE)
The Albuquerque Sign Language Academy (ASLA)

Condition (ASE): During the cash reconciliation test work, it was noted that monthly bank reconciliations were not performed in a timely manner, do not agree to the general ledger, and were not reviewed and approved by management.

Condition (ASLA): During the cash reconciliation test work, it was noted that monthly bank reconciliations were not reviewed and approved.

Criteria: Per NMAC 6.20.2.14, all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed and approved by management. In addition, according to the Manual of Model Accounting Practices (MAPs), FIN 16, all accounting reports must be reviewed for accuracy and completeness to ensure that all transactions are recognized and recorded.

Cause: Lack of internal controls associated with monthly bank reconciliations.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 6.20.2.14 and MAPs FIN 16.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure timely and correct monthly bank reconciliations.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-17-CS CONTROL DEFICIENCY OVER CASH RECONCILIATION

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure cash reconciliations are performed within a timely fashion. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

09-18-CS COMPLIANCE FINDING OVER OVER-EXPENDED FUNDS

School:

- Albuquerque School of Excellence (ASE)
- The Albuquerque Sign Language Academy (ASLA)
- Alma d'Arte Charter High School (Alma)
- Cottonwood Classical Preparatory School (CCPS)
- Gilbert L. Sena Charter High School (GSH)
- Horizon Academy West (HAW)
- The International School at Mesa del Sol (TIS)
- The MASTERS Program (MASTERS)
- New Mexico School for Architecture, Construction and Engineering (NMACE)
- New Mexico School for the Arts (NMSA)
- North Valley Academy (NVA)
- School of Dreams Academy (SODA)
- South Valley Preparatory School (SVP)
- Taos Academy Charter School (TACS)
- Taos Integrated School of the Arts (TISA)

Condition (All schools): During the budget test work, it was noted that the school had over-expended the appropriation unit on the following categories:

School	Category	Final Budget Expenditure Variance
ASE	Support Services	\$ 57
ASLA	Support Services	23,880
Alma	Support Services	2,504
CCPS	Support Services	70,895
GSH	Instructional Services	36,307

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

09-18-CS COMPLIANCE FINDING OVER OVER-EXPENDED FUNDS - continued

School	Category	Final Budget Expenditure Variance
HAW	Support Services	312
TIS	Instructional Services	1,371
TIS	Support Services	299,723
MASTERS	Support Services	1,102
NMACE	Support Services	8,977
NMSA	Instructional Services	14,664
NMSA	Support Services	38,454
NVA	Instructional Services	131,303
NVA	Support Services	40,448
SODA	Instructional Services	136,187
SODA	Support Services	322,889
SVP	Support Services	199
TACS	Instructional Services	182,351
TACS	Support Services	397,215
TISA	Support Services	<u>50</u>
	Total	\$ <u>1,708,880</u>

Criteria: Per NMAC Title 6, Chapter 20, Part 2.9A states over-expenditure of a function shall not be allowed.

Cause: Non-budgeted expenditures were applied against the final budget without submitting Budget Adjustment Requests (BAR's) on time to the PED.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC Title 6, Chapter 20, Part 2.9A.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure timely budget adjustment requests are submitted to the PED and that a school individually tracks expenditures to ensure unauthorized budget overages do not occur.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper policies and procedures are followed with the submittal of BAR's to the PED and expenditures are tracked. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

CS-09-19 SIGNIFICANT DEFICIENCY OVER REVIEW AND APPROVAL PROCEDURES

School:

Gilbert L. Sena Charter High School (GSH)

Condition: During the internal control test work, it was noted that 2 out of 2 requests for reimbursement's (RfR's) did not include supporting documentation and the administration could not provide any justification for expenses submitted to the PED. The noted exception amounted to \$121,157.

Criteria: According to the Manual of Model Accounting Practices' (MAPs) FIN 5, requires that a state agency must have internal controls in place surrounding cash disbursements. All vouchers must be certified as true and correct by the officer or employee designated to make payments, and who is someone other than the individual submitting for the request for expense reimbursement. All financial transactions and documentation should be reviewed and approved by someone other than the preparer. Moreover, MAPs FIN 16 states that all accounting reports must be reviewed for accuracy and completeness to ensure that all transactions are recognized and recorded.

Cause: Lack of internal controls associated with the submission of RfRs to the PED.

Effect: The State Authorized Chartered School is not in compliance with MAPs FIN 5 and FIN 16.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure timely RfRs are submitted to the PED and that a school individually tracks expenditures to ensure that only allowable and authorized expenditures are submitted.

CS-09-19 SIGNIFICANT DEFICIENCY OVER REVIEW AND APPROVAL PROCEDURES- continued

Management's Response: PED's management has reviewed the state authorized chartered school's individual response and concurs with the finding and will implement policies and procedures to ensure proper accounting procedures are followed for the submittals of RfRs. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

CS-09-20 CONTROL DEFICIENCY OVER SUPPORTING DOCUMENTATION

Schools:

Creative Education Preparatory Institute #1 (CEPI)
The International School at Mesa del Sol (TIS)

Condition (All Schools): During our internal control test work, it was noted that the schools could not provide and locate complete and necessary and required supporting documentation for multiple areas for our internal control test work.

Criteria: Per NMAC Section 1.13.3.11 states physical and/or electronic records should maintained and made available when requested for all transactions that occur within an Agency.

Cause: Lack of internal controls associated with records management and retention.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC Section 1.13.3.11.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure records management for all financial transactions.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper procedures are followed for records management. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

CS-09-24 COMPLIANCE FINDING OVER STATE CASH REPORT

Schools:

Albuquerque School of Excellence (ASE)
The Albuquerque Sign Language Academy (ASLA)
Alma d'Arte Charter High School (Alma)
Creative Education Preparatory Institute #1 (CEPI)
The New America School (NAS)
New Mexico School for Architecture, Construction and Engineering (NMACE)
North Valley Academy (NVA)
School of Dreams Academy (SODA)
South Valley Preparatory School (SVP)

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

CS-09-24 COMPLIANCE FINDING OVER STATE CASH REPORT - continued

Condition (All Schools): During the cash test work, it was noted that the schools did not submit the school's quarterly cash report to the PED at year end nor uploaded the required report within the OBMS system. In addition, most schools general ledgers did not reconcile to the quarterly submitted cash reports.

Criteria: Per NMAC Title 6, Chapter 20, Part 2.14L states the school district shall submit cash reports to the PED by the last working day of the month following the end of the reporting period.

Cause: Lack of internal controls associated with submitting quarterly cash reports to the PED.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC Title 6, Chapter 20, Part 2.14L, and possible fraud or misappropriation of assets may occur.

Recommendation: We recommend that management establish and follow policies and procedures necessary to ensure cash reports are submitted timely to the PED and reconcile to the general ledger.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure proper procedures are followed for quarterly cash reports to the PED. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

CS-09-25 CONTROL DEFICIENCY OVER JOURNAL ENTRY APPROVAL

Schools:

The Albuquerque Sign Language Academy (ASLA)
Cien Aguas International School (CAIS)
Cottonwood Classical Preparatory School (CCPS)
Creative Education Preparatory Institute (CEPI)
Gilbert L. Sena Charter High School (GSH)
The International School at Mesa del Sol (TIS)
NM School for Architecture, Construction and Engineering (NMACE)
New Mexico School for the Arts (NMSA)
School of Dreams Academy

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

CS-09-25 CONTROL DEFICIENCY OVER JOURNAL ENTRY APPROVAL - continued

Condition (All Schools): There was no written proof that a journal entry was reviewed and/or approved.

Criteria: Per Manual of Modern Accounting Practices (MAPs), FIN 13, all journal entries should be reviewed and approved by an authorized person. In addition, the State Board of Education Title 6, section 6.20.2.11, states that policies and procedures documenting administrative and accounting controls in accordance with Generally Accepted Accounting Principles are required. Sound business practice recommends review and approval of all non-standard journal entries.

Cause: Lack of internal controls associated with the preparation and review of journal entries.

Effect: The State Authorized Chartered Schools are not in compliance with MAPs FIN 13 and the State Board of Education Title 6, section 6.20.2.11. Also, a possible misstatement may occur on the financial statements.

Recommendation: We recommend that management establish and follow policies and procedures around the posting of journal entries and management reviews and approves these entries prior to posting within the general ledger.

Management's Response: PED's management has reviewed the state authorized chartered schools' individual responses and concurs with the finding and will implement policies and procedures to ensure compliance. Sometimes segregation of duties is hard to achieve in small entities but management is in the process of implementing procedures having the Principal/Director/Board member to approve the transactions. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

CS-09-26 CONTROL DEFICIENCY OVER EXPENSE REPORT REIMBURSEMENTS

Schools:

Taos Academy Charter School (TACS)

Condition: During our cash disbursements test work; we noted that the school reimbursed a volunteer twice for the same amount. The amount overpaid totaled \$9.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

CS-09-26 CONTROL DEFICIENCY OVER EXPENSE REPORT REIMBURSEMENTS - continued

Criteria: Per NMAC 6.20.2.10, states that each school shall establish and implement written policies and procedures for purchasing, which shall be in compliance with the procurement code Section 13-1-21, NMSA 1978.

Cause: Lack of internal controls over the expense reimbursement process.

Effect: The State Authorized Chartered Schools are not in compliance with NMAC 6.20.2.10. The proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payments of invoices, resolution of disputes with vendors, etc.

Recommendation: We recommend that management establish and follow policies and procedures in accordance with Section 13-1-21, NMSA 1978 and NMAC 6.20.2.10.

Management's Response: PED's management has reviewed the state authorized chartered school's individual responses and concurs with the finding and will implement policies and procedures to ensure compliance. The Bureau Chief of Accounting and Audit and the individual charter school's Head Administrator are the responsible parties to develop and implement the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

08-01 CONTROL DEFICIENCY OVER AGENCY-SPECIFIC INFORMATION SECURITY POLICY – PED

Condition: During the Information Technology assessment, we noted that PED does not have an agency-specific information security policy.

Criteria: Per New Mexico Statewide Policy S-STD010.001, "Backups Standard", all agencies shall establish and document personnel security policies, as well as related procedures that show clear accountability for security administration.

Cause: Lack of written standards related to protection of sensitive information.

Effect: May result in misuse of sensitive and confidential information

Recommendation: We recommend that management develops an agency-specific information security policy in addition to using DoIT's policy as a guideline.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

**08-01 CONTROL DEFICIENCY OVER AGENCY-SPECIFIC INFORMATION
SECURITY POLICY – PED - continued**

Management's Response: Management concurs with this finding. Management had hoped to have a written agency policy in place by the end of the FY 2010; however, the policy was not completed. We have a basic practice and will forward upon request. This should be assigned to the new IT Director when hired. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

08-02 CONTROL DEFICIENCY OVER FIXED ASSETS INVENTORY – PED

Condition: Information Technology assets were not reflected in the annual physical inventory count.

Criteria: Per NMSA 2.20.1.16, Annual Inventory, and Manual of Model Accounting Practices' (MAPs) FIN 6, Asset Management, all state agencies must conduct an annual physical inventory of movable chattels and equipment on the inventory list.

Cause: Lack or failure of internal controls surrounding fixed assets tracking process.

Effect: The Department is not in compliance with NMSA 2.20.1.16 and MAPs FIN 6. Lack of physical inventory count of Information Technology fixed assets may lead to material misstatements or asset misappropriation.

Recommendation: We recommend that management follow the established NMSA and MAPs rules pertaining to accounting for capital assets.

Management's Response: Management concurs with the finding. PED will provide training on proper accounting procedures to perform an annual physical count of inventory in compliance with NMSA 2.20.1.16 and MAPs FIN 6. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

**08-04 CONTROL DEFICIENCY OVER REVIEW AND APPROVAL OF TRAVEL
EXPENDITURES – PED**

Condition: During Per Diem test work, we noted that two of the 40 samples tested had a travel reimbursement that was submitted and approved by the same person. The travel expenditure amounted to \$519.77.

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

08-04 CONTROL DEFICIENCY OVER REVIEW AND APPROVAL OF TRAVEL EXPENDITURES – PED - continued

Criteria: Per Manual of Model Accounting Practices' (MAPs), FIN 5 requires that a state agency must have internal controls in place surrounding cash disbursements. All vouchers must be certified as true and correct by the officer or employee designated to make payments, and who is someone other than the individual submitting for the request for expense reimbursement.

Cause: Lack of proper segregation of duties and understanding of MAP FIN 5.

Effect: Submission and approval of reimbursement vouchers by the same person can lead to illegitimate claims being disbursed.

Recommendation: We recommend that proper internal control over segregation of duties be implemented.

Management's Response: Management concurs with the finding and has implemented the following process: Vouchers submitted for payment to the ASD Financial Services Bureau that have been submitted and approved by the same person will be forwarded to the PED CFO. The CFO will ensure that these vouchers are appropriately processed with adequate approval. The process was implemented at the middle of the FY10 therefore we still have instances where the same person authorized and approved travel reimbursements. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

08-08 SIGNIFICANT DEFICIENCY OVER GRANTS BILLING AND REIMBURSEMENT TRACKING – PED

Condition: During our test work on financial and A-133 attributes associated with the grants billing and reimbursement, we noted that no procedures are in place to accurately track cash forecasts associated with accounts payable, accounts receivable and grant carryovers.

Condition - continued: The Department did not implement a system to record billing until the fourth quarter of the fiscal year. In prior years, cash balances for fund SHARE 67300 are accurate at the balance sheet date, but cash to be received or paid out cannot be forecasted. The process in the grant area is missing the monitoring component, and data produced in the grants bureau is not made available to the financial bureau.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

08-08 SIGNIFICANT DEFICIENCY OVER GRANTS BILLING AND REIMBURSEMENT TRACKING – PED - continued

Criteria: In order to forecast cash, events associated with the inflows and outflows of cash should be predictable and an understanding of the cash cycle associated with federal drawdown should be completely understood.

Cause: No formal process was in place to monitor the cash balance forecast in the grants bureau until the fourth quarter of the fiscal year.

Effect: PED had no lead time to be made aware of a cash shortage.

Recommendation: New processes and procedure implemented in the fourth quarter of the fiscal year should be kept and improved on in the future in order to be able to accurately forecast cash balances.

Management's Response: Management concurs with this finding. Management implemented numerous changes at the end of the FY10 and we believe the process is working correctly. Specifically, draw requests for federal reimbursements are now executed on a daily basis; in addition, a detail general ledger is run and analyzed daily. This analysis includes monitoring and forecasting cash balances within each fund. The process was implemented towards the end of the fiscal year so the results were not fully noticeable. In FY11, the process will be in place for the entire fiscal year so we anticipate that this finding will be resolved.

07-21 CONTROL DEFICIENCY OVER OVER-EXPENDED APPROPRIATION UNITS – PED

Condition: The Department over-expended the appropriation unit on the following funds:

Fund	Category	Final Budget Expenditure Variance
05700	Other Financing Uses	\$ 8,189
20160	Other Financing Uses	973,000
51300	Other Financing Uses	20,000
79000	Other Financing Uses	<u>29,505</u>
	Total	\$ <u>1,030,694</u>

Schedule of Findings and Questioned Costs - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

07-21 CONTROL DEFICIENCY OVER OVER-EXPENDED APPROPRIATION UNITS – PED - continued

Criteria: The Department's financial system should detect over-expenditures before they occur.

Cause: Non-budgeted expenditures being applied against the final budget and not submitting Budget Adjustment Requests on time.

Effect: The appropriation units described above were over-expended.

Recommendation: The Department must track all expenditures and submit Budget Adjustment Requests to ensure compliance with the final budget.

Management's Response: Management concurs with the finding. PED will provide training on proper accounting procedures to budget adjustment requests timely. PED is in the process to purchase and Fixed Assets program to properly record and maintain fixed assets. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

06-03 CONTROL DEFICIENCY OVER INFORMATION SYSTEMS - PED – DISASTER RECOVERY PLAN

Condition: The disaster recovery plan has been drafted; however, the Department has not yet created a formal disaster recovery plan.

Criteria: The Department should have a formal disaster recovery plan that is tested annually.

Cause: Management does not consider implementing disaster recovery plan a priority.

Effect: Possible loss of financial information as well as fiduciary breach and risk of corruption.

Recommendation: We recommend that management implements, tests and finalizes a disaster recovery plan.

Management's Response: Management concurs with this finding; there is basic practice that is written. . We have a basic practice and will forward upon request. This should be assigned to the new IT Director when hired. The Bureau Chief of Accounting and Audit and the CIO are responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

CURRENT YEAR FINDINGS

10-04 CONTROL DEFICIENCY OVER PROCUREMENT - PED

Federal Programs:

ARRA Cluster – U.S. Department of Education,

Condition: During the internal controls testing of procurement, we noted 9 of the 25 professional contracts tested had not followed the proper procurement rules for professional contracts less than \$50,000. The Department violated procurement procedures due to lack of supporting documents to prove that quotation of services from a minimum of three businesses were performed before selecting a contractor. Moreover, the contracts that are in violation of procurement were noted prior to being reviewed by the auditor that the professional contracts less than \$50,000 had been awarded to a pre-determined vendor. The total amount of the professional contracts that did not follow proper procurement totaled \$385,500. Moreover, 4 of the 9 professional contracts less than \$50,000 that did not follow the procurement code were committed with ARRA funds, which totaled \$186,360 of the \$385,500.

Criteria: Per Executive Order 2009-044, the State of New Mexico is presently experiencing some of the most difficult economic times; the Governor has ordered all agencies to reduce spending, execute cost-containment, and to increase fiscal efficiency. It is in best practices that the Department obtains quotations of professional contracts less than \$50,000 in a competitive fashion in order to achieve the most competitive price for goods and services being requested from the Department and will aid management in providing better information for decision making.

Cause: Inefficiencies by management in processing and reviewing professional contracts for the most competitive and efficient price for goods and services less than \$50,000.

Effect: The Department is not in compliance with Executive Order 2009-044 and best practices for professional services. Professional contracts less than \$50,000 that does not obtain at a minimum of three business quotations can lead to poor management decisions in choosing the most price competitive and efficient contractor.

Recommendation: We recommend that management establish controls and procedures that require professional contracts less than \$50,000 to be properly reviewed and have support that the final selected vendor was chosen at the most cost efficient and competitive price.

Management's Response: Management concurs with the finding and is going to implement procedures to improve the procurement process on purchases less than \$50,000.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

10-04 CONTROL DEFICIENCY OVER PROCUREMENT - PED- continued

Management's Response: Management concurs with the finding and is going to implement procedures to improve the procurement process on purchases less than \$50,000. The Bureau Chief of Accounting and Audit and the Bureau Chief of Procurement and Building Services are the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-05 COMPLIANCE FINDING OVER REIMBURSEMENTS TO SCHOOLS - PED

Federal Programs:

Title I – U.S. Department of Education, CFDA 84.010/84.389
IDEA, Part B – U.S. Department of Education, CFDA 84.027/84.391
Title II Part D – U.S. Department of Education, CFDA 84.386
Title III, Part A– U.S. Department of Education, CFDA 84.365
Title II, Part A – U.S. Department of Education, CFDA 84.367
Title IV, Part B – U.S. Department of Education, CFDA 84.287
State Assessment – U.S. Department of Education, CFDA 84.369
Title II, Carl Perkins – U.S. Department of Education, CFDA 84.243

Condition: During A-133 Single Audit test work, we noted that management was unable to provided request for reimbursements (RfRs) from the districts/charters that were approved and signed physically or electronically prior to submission to the Program Manager through OBMS. All RfRs are processed through the OBMS system and OBMS does not have an IT control to track the approval of RfRs at the district/charter level. Presently, the RfRs list that a signature is “On File” or was left blank; however, no signature is maintained in a physical file or is tracked electronically through OBMS. Based on the 12 major programs for Single Audit test work, 10 of the 12 programs have RfRs that were not properly approved and signed at the district/charter level prior to submission to the Program Manager which totaled \$14,586,683.39 out of 298 of 300 random samples.

Criteria: Per the Department's internal controls and procedures surrounding the RfRs process at the district/charter level, RfRs should be approved with either a physical or electronic signature in order to demonstrate that the RfRs have been properly reviewed and approved for processing at the district/charter level prior to review at the Program level.

Cause: Lack or failure of internal controls surrounding the approval of RfRs at the district/charter level prior to submission to the Program Manager within the OBMS system.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

10-05 COMPLIANCE FINDING OVER REIMBURSEMENTS TO SCHOOLS - PED -
continued

Effect: The Department is in violation of internal control policies and procedures in addition to federal requirements which may potentially lead to reimbursements for expenditures not actually incurred or deemed un-allowed per OMB-Circular A-87.

Recommendation: We recommend that management implement a process that would ensure that all RfRs are approved electronically or physically prior to the submission to the Program Manager.

Management's Response: Management concurs that a process needs to be implemented in which all RfRs are approved electronically at the district/charter level prior to its progression to the Program Manager. The OBMS system requires a secured user name and password per individual to access the system and perform assigned user role(s) within the workflow configuration. When the system for RfRs was originally implemented, an attempt to include electronic signatures was initiated as part of the approval workflow process. However, the system was unable to legibly emulate the signatures onto the RfR. Management will reevaluate the system and cost requirements to implement an electronic signature procedure or maintenance of a physical signature file in order for system approval to be paralleled with a physical signature. The Bureau Chief of Accounting and Audit and the Bureau Chief of Flowthrough are the responsible party to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-14 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS - DVR

Federal Programs:

Rehabilitation Services – U.S. Department of Education, CFDA 84.126

Condition: During our testwork on financial and A-133 single audit attributes associated with allowed activities and costs, we noted one of the 40 items tested was un-allowed since it was a purchase for a personal item. The amount of the exception for a personal item was \$39.50

Criteria: Per OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, and A-133, *Allowed Activity/ Allowed Cost*, personal items are un-allowable costs.

Cause: Lack of internal controls associated with an adequate review process of purchase orders.

Effect: The Department is in violation of procurement per federal requirements and OMB Circular A-87.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

10-14 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS - DVR- continued

Recommendation: We recommend that management establish effective controls necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs.

Management's Response: NMDVR's Program Managers review & approve all administrative type requisition requests for his/her department. Procurement Staff is then responsible for conversion of the requisition to a purchase order, if all state/federal rules/regulations have been met. The purchase order is then approved at DFA level; Procurement Staff provide electronic copy to the Program Manager and file in agency suspense file (for audit purposes). Once the goods and services are received by the Program, the payment request is submitted with approval by the Program Manager. The payment request is then submitted (paper document w/cover sheet) to Procurement staff for review/audit prior to submittal to Accounts Payable.

In this instance, NMDVR Procurement staff became aware of a purchase through pre-auditing of the payment request after the payment had already been processed by NMDVR's accounts payable staff. Oversight on the unit of measure occurred during the creation of the PO, where the procurement staff thought the procurement of the said item was at twelve (12) each, not 1 each.

In order to mitigate further types of instances, NMDVR procurement staff are verifying that all purchase order descriptions are clearly delineated to ensure that items appear reasonable, and are paying closer attention to quantity and unit of measure.

The Chief Financial Officer and the General Services and Procurement Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS - DVR

Federal Programs:

Rehabilitation Services – U.S. Department of Education, CFDA 84.126

Condition: During our testwork on financial and OMB A-133 single audit attributes associated with allowed activities and costs, we noted two of the 40 items tested did not appear to be reasonable and justifiable per the federal award. The first exception totaled \$4,500 for ten Samsung 24" LCD flat screen computer monitors. The individual price for the Samsung computer monitors were purchased for \$450.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS - DVR- continued

Condition- continued: However, a comparable monitor, 20-22” flat screen monitor, was purchased at an average price of \$230. The second exception totaled \$812.90 for two chairs. A comparable chair listed by the same vendor and two other external sources had an average price of \$225. The above stated exceptions were not purchased in order to accommodate an individual impairment and were isolated for one internal department.

Criteria: Per OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, only reasonable and justifiable purchases are allowed.

Effect: The Department is in violation of federal requirements and OMB Circular A-87. Improper review may result in improper disbursement of purchase orders.

Recommendation: We recommend that management establish effective controls necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs.

Management’s Response: NMDVR’s Management provides the following justification for the 24 inch monitor purchased for the Information Technology unit. Based on the justification, Management believes that the additional cost of the monitors is reasonable and justifiable per the reasonable person tenet per 2 CFR 225 (A-87).

The Information Services Unit has a need for high performance workstations and monitors to perform daily IT business tasks. The performance of the monitor and desktop is essential to monitoring and measuring of the agency network, infrastructure, agency applications (both off the shelf and in-house developed), which are maintained and supported by IS Unit Staff. IS Staff write lengthy code which require a larger monitor screen to view the entire code. The determination of the specific equipment needed to meet the performance required was thoroughly researched by the CIO and after feedback from the IS Unit staff, the most cost effective equipment was selected from the least expensive vendor. The vendor selection (only State required Save Smart Vendors) and product availability was limited, but the monitors selected were the most cost effective. Given the business needs of the IS Unit, it is not viable to compare the 24” monitors to 20”/22” inch monitors. A more realistic comparison would be 24” monitors with the same specifications for the given time of purchase. Prior to this purchase the IS Unit had not replaced their workstations for over 5 years, which is well beyond the industry replacement standard of 2-3 years and the agency standard of 3-4 years. It is a practice of the IS Unit to purchase high performance equipment for the unit with the forethought that the equipment will need to be operable beyond the existing replacement standards and adaptable to the frequent industry changes and demands of technology.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

10-15 COMPLIANCE FINDING OVER FEDERAL PROGRAM ADMINISTRATION –
UNALLOWABLE COSTS - DVR- continued

Management's Response- continued: While we disagree with the specific finding, management agrees that effective controls are necessary to ensure that only allowable costs as outlined in OMB Circular A-87 are charged to federal programs. Therefore, the following action steps have or will be implemented:

- All equipment, furniture and capital outlay budget with the exception of Information Technology has been centralized to the General Services budget. This would require that requests for any purchases are justified through the Financial Management Unit prior to execution of a purchase order.
- Due to the economy, the line items for equipment, furniture and capital outlay budget with the exception of Information Technology has been reduced to minimal amounts.
- The Chief Financial Officer has regularly been submitting information to Program Managers regarding budget constraints and budget management.
- The Financial Management Unit /Procurement Section has increased scrutiny of all Administrative Type purchases.
- A budget management policy will be developed and implemented by June 30, 2011.
- Procurement staff will use the approved NMDVR's Information Technology (IT) plan to ensure that request for procurement of IT goods/services are in alignment with the IT plan prior to the conversion of a purchase order. The General Services/Procurement Manager, Chief Information Officer and Chief Financial Officer will collaborate to review and insure that all purchases of Information Technology (IT) equipment and furniture meet the requirements of A-87 and utilize appropriate price agreements/contracts established by State Purchasing Department.
- By June 30, 2011 training will be provided to all Program Managers on 2 CFR 225(A-87).

The Chief Financial Officer and the General Services and Procurement Manager are the responsible parties to develop and implement the corrective action plan to address the above audit finding within the next calendar year.

Auditor's Response: As noted above in management's response, management agrees that the necessary internal controls are needed around sensitive purchases.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

PRIOR YEAR FINDINGS

01-08 COMPLIANCE FINDING OVER (FEDERAL) RECONCILIATION TO THE U.S. DEPARTMENT OF EDUCATION "G-5" SYSTEM, ALL U.S. DEPARTMENT OF EDUCATION 84.XXX – PED

Federal Programs:

Title I – U.S. Department of Education, CFDA 84.010
IDEA B Cluster – U.S. Department of Education, CFDA 84.027/84.173
Title II Part D – U.S. Department of Education, CFDA 84.318
Charter Schools – U.S. Department of Education, CFDA 84.282
Title III – U.S. Department of Education, CFDA 84.365
Title II Part A – U.S. Department of Education, CFDA 84.367
After School Learning – U.S. Department of Education, CFDA 84.287
Reading First – U.S. Department of Education, CFDA 84.357
State Assessment – U.S. Department of Education, CFDA 84.369
Carl Perkins Cluster – U.S. Department of Education, CFDA 84.048/84.002

Condition: In the prior year, it was noted that a formal reconciliation of grant balances to the amount reported by the U.S. Department of Education electronic reporting system (G-5) was not being done on a quarterly basis. Management began formally reconciling to the G-5 system during 2005. Tremendous progress has been noted during the audit. However, we noted that there still are unlocated differences between draws and expenditures that PED has not resolved.

Criteria: The U.S. Department of Education requires grantees to reconcile their records of remaining grant balances to the G-5 system as part of control over cash management on a quarterly basis.

Questioned Costs: None.

Cause: The U.S. Department of Education grants usually remain open for 27 months after the beginning of the grant year. Since PED was not properly reconciling expenditures and receipts prior to fiscal year 2005, PED is still receiving receipts for prior period expenditures that were not recorded as revenue in the period incurred.

Effect: PED is recognizing prior year revenues in the current period. There is an unresolved variance in Fund 84400 – Federal Administration Fund, resulting in a deficit fund balance of \$1,052,000.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT – continued

01-08 COMPLIANCE FINDING OVER (FEDERAL) RECONCILIATION TO THE U.S. DEPARTMENT OF EDUCATION “G-5” SYSTEM, ALL U.S. DEPARTMENT OF EDUCATION 84.XXX – PED - continued

Recommendation: PED should continue reconciling ending grant balances by program, by grant year, on a quarterly basis to the remaining grant balances from the GAPS system. Unreconciled differences should be identified and resolved.

Management’s Response: Management concurs with this finding. Management implemented new policies and procedures with the draw and tracking of USDE funds at the end of the fiscal year and we believe the process is working correctly. The process was implemented towards the end of the fiscal year so the results were not fully noticeable. On FY11 the process will be in place for the entire fiscal year so we anticipate that this finding will be resolved. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

03-12 SIGNIFICANT DEFICIENCY OVER SUBRECIPIENT MONITORING AND REIMBURSEMENT POLICIES AND PROCEDURES – PED

Federal Programs:

Charter Schools – U.S. Department of Education, CFDA 84.282A

Condition: In our test work of sub-recipient monitoring, we noted the following:

84.282A – Charter Schools – There were no site visits or desk reviews performed.

Criteria: According to OMB Circular A-133 and A-102 Common Rule, a pass-through entity is required to monitor the sub-recipient’s use of Federal funds through site visits to assure that the sub-recipient administers the Federal awards in compliance with laws, regulations and the provisions of the grant agreement and those performance goals are achieved.

Questioned Costs: None

Cause: There are no procedures in place that require either fiscal or program personnel to review support for program expenditures.

Effect: Schools could be spending funds on non-allowable costs. In addition, sub-recipients may not be correcting findings noted in the audit reports.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT – continued

03-12 SIGNIFICANT DEFICIENCY OVER SUBRECIPIENT MONITORING AND REIMBURSEMENT POLICIES AND PROCEDURES – PED– continued

Recommendation: Schools should be required to send documentation supporting program expenditures. Fiscal or program personnel should review to ensure that the schools are spending the funds as budgeted. Audit reports should also be reviewed to ensure any problems with Federal programs are known and can then be addressed from PED's perspective. PED should then require corrective action plans from those schools in which there are program findings.

Management's Response: Management continues to work toward the resolution of this finding with the Charter School Program.

Charter Programs - Expenditures of federal Public Charter School Program grant funds by awarded Charter Schools are subject to review at three points within the grant application and management process. (1) Proposed budgets submitted with the grant applications are reviewed for allowable expenditures. Proposed expenditures that are not allowable under federal and state requirements are deducted from the approved budget. (2) Grantees submit copies of itemized invoices and/or purchase orders with claims for payment. Items that are not allowable or which do not appear on the approved budget for the grant are not approved for payment. (3) All grantees are required to submit quarterly expenditure reports to NM PED Fiscal Division. These reports serve as an additional verification that expenses were allowable and approved. Further grant payments are not approved if these reports are not up-to-date. This more stringent system of approvals for Public Charter School Program grantees was instituted due to errors in past grant management practices, as well as the fact that new Charter School operators may not be familiar with the requirements and responsibilities of direct federal grant recipients. This method serves to ensure that federal funds are used appropriately, as well as to train new charter school operators in their responsibilities as direct federal grantees. It is our intention to transition grantees to a reimbursement basis requiring only summary expenditure information as described in the prior response, once a record of appropriate expenditures is established for the individual grantee. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

06-12 SIGNIFICANT DEFICIENCY OVER PERIODIC PAYROLL CERTIFICATIONS - ALLOWABLE COSTS

Federal Programs:

Title I – U.S. Department of Education, CFDA 84.010

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

06-12 SIGNIFICANT DEFICIENCY OVER PERIODIC PAYROLL CERTIFICATIONS - ALLOWABLE COSTS- continued

Federal Programs- continued:

IDEA B Cluster – U.S. Department of Education, CFDA 84.027/84.173
Title II Part D – U.S. Department of Education, CFDA 84.318
Charter Schools – U.S. Department of Education, CFDA 84.282
Title III – U.S. Department of Education, CFDA 84.365
Title II Part A – U.S. Department of Education, CFDA 84.367
After School Learning – U.S. Department of Education, CFDA 84.287
Reading First – U.S. Department of Education, CFDA 84.357
State Assessment – U.S. Department of Education, CFDA 84.369
Carl Perkins Cluster – U.S. Department of Education, CFDA 84.048/84.002
School Lunch Program Cluster – U.S. Department of Agriculture, CFDA 10.555/10.553/10.560

Condition:

1. In our sample of payroll disbursements, we noted that employees whose time is charged solely to federal grants (Fund 84400) did not have an accompanying periodic certification to support charges for their salaries and wages.
2. Our sample of payroll disbursements also included employees whose time was charged to more than one grant or to federal and non-federal activities. We noted that there is no documentation supporting the allocation of charges to federal grants in accordance with OMB Circular A-87 Attach B, Para 8.h(4).

Criteria:

1. Pursuant to OMB Circular A-87 Attach B, Para 8.h(3): Support of salaries and wages: “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 employer or supervisory official having first-hand knowledge of the work performed by the employee.”
2. This requirement applies to employees that have work assignments 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

06-12 SIGNIFICANT DEFICIENCY OVER PERIODIC PAYROLL CERTIFICATIONS - ALLOWABLE COSTS- continued

Criteria – continued:

Pursuant to OMB Circular A-87 Attach B, Para 8.h(5), personnel activity reports or equivalent documentation must meet the following standards (in part):

- 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.

Questioned Costs: Unknown.

Cause:

1. It appears that a formal process for certifying time and effort for employees does not exist. In addition, due to a lack of approved certifications by supervisory staff, there does not appear to be adequate review of time and effort on Federal awards.
2. Time sheets are not signed by employees or retained. In addition, it does not appear they are prepared with a break-out of the distribution of salaries and wages across activities or cost objectives. While personnel action forms show the initial distribution, there does not appear to be a system in place to account for an “after-the-fact” distribution. We further noted that there do not appear to be any substitute systems for allocating salaries per the guidelines established in OMB Circular A-87.

Effect: The result is non-compliance with federal requirements for documentation of Employee Time and Effort.

Recommendation:

1. We recommend that a careful review be made of time record retention requirements and that a department-wide policy for time record retention be adopted that maintains records for specified periods and provides for their destruction only after the specified period.
2. We recommend that the Department implement the use of “after-the-fact” reporting of the distribution of salaries and wages across activities or cost objectives.

Management’s Response: Management concurs with this finding. Management implemented new policies and for payroll certifications and allocations of costs have been revised and implemented. Our Human Resources (HR) Bureau is now requiring employees with single and multiple cost objectives to submit their documentation directly to the HR Bureau.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

06-12 SIGNIFICANT DEFICIENCY OVER PERIODIC PAYROLL CERTIFICATIONS -
ALLOWABLE COSTS – continued

Management's Response – continued: Our HR Bureau is monitoring the submissions to ensure that required reports are submitted. Late or non-submissions are reported to the affected employees' supervisors. On FY11 the process will be in place for the entire fiscal year so we anticipate that this finding will be resolved. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

08-07 COMPLIANCE FINDING OVER SUB-RECIPIENT DOCUMENTATION – PED

Federal Program:

Charter Schools – 84.282

Condition: During A-133 single audit test work, we noted that management was unable to provide required expense backup documentation from the sub-recipient.

Criteria: Per OMB Circular A-133, *Allowed Activity/Allowed Cost*, the amount requested for reimbursement should have supporting documentation showing the itemized expense amount posted to the general ledger or an invoice showing payment for the amount requested for reimbursement.

Cause: Lack or failure of internal controls surrounding review of requests for reimbursement process.

Effect: The department is in violation of federal requirements and may reimburse sub-recipients for expenditures not actually incurred or un-allowed costs.

Recommendation: We recommend that management implements a process that would ensure that all requests for reimbursements get reviewed and supporting documentation is maintained.

Management's Response: Management concurs with this finding and is currently updating its internal control procedures to ensure that documentation submitted by sub-recipients is maintained and retrievable. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

Schedule of Findings and Questioned Costs - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT - continued

08-08 SIGNIFICANT DEFICIENCY OVER GRANTS BILLING AND REIMBURSEMENT
TRACKING - PED

All Federal Programs

Condition: During our test work on financial and A-133 attributes associated with the grants billing and reimbursement, we noted that no procedures are in place to accurately track cash forecasts associated with accounts payable, accounts receivable and grant carryovers. The cash balances for fund SHARE 67300 are accurate at the balance sheet date, but cash to be received or paid out cannot be forecasted. The process in the grant area is missing the monitoring component, and data produced in the grant department is not made available to the financial department.

Criteria: In order to forecast cash, events associated with the inflows and outflows of cash should be predictable and an understanding of the cash cycle associated with federal drawdown should be completely understood.

Cause: No formal process is in place to monitor the cash balance forecast in the grants department.

Effect: PED has no lead time to be made aware of a cash shortage.

Recommendation: New processes and procedure should be implemented to be able to accurately forecast cash balances.

Management's Response Management concurs with the finding; new processes were implemented at the end of FY10 and are working properly. Currently we draw on a daily basis and our draws are supported by the proper payment voucher so we are able to forecast our cash. We anticipate the finding will be resolved for FY11 since the process will be working throughout the fiscal year. The Bureau Chief of Accounting and Audit is responsible for developing and implementing the corrective action plan. The priority of these corrective actions must be set and resources made available by the newly elected governmental officials and the appointed cabinet secretary.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Summary Schedule of Prior Year Audit Findings

B. FINDINGS - FINANCIAL STATEMENT AUDIT

- 06-03 Control Deficiency over Information Systems - PED - Disaster Recovery Plan – Repeated and Updated
- 07-21 Control Deficiency over Over-Expended Appropriation Units - PED/DVR – Repeated and Updated
- 08-01 Control Deficiency over Agency-Specific Information Security Policy - PED – Repeated and Updated
- 08-02 Control Deficiency over Fixed Assets Inventory - PED – Repeated and Updated
- 08-04 Control Deficiency over Review and Approval of Travel Expenditures - PED – Repeated and Updated
- 08-08 Significant Deficiency over Grants Billing and Reimbursement Tracking - PED – Repeated and Updated
- 09-01 Control Deficiency over Formal Backup Policies and Procedures – PED/DVR – Repeated and Updated
- 09-02 Control Deficiency over Cash Disbursements to State-Chartered Schools – PED – Repeated and Updated
- 09-03 Significant Deficiency over Fixed Assets Record Keeping – PED – Repeated and Updated
- 09-05 Control Deficiency over Reimbursement of Travel Expenditures – PED – Repeated and Updated
- 09-06 Control Deficiency over Deposit of Cash Receipts – PED – Repeated and Updated
- 09-07 Control Deficiency over Reporting Process – PED – Resolved
- 09-08 Significant Deficiency over Reversions to the State General Fund – PED – Resolved
- 09-09 Control Deficiency over Disaster Recovery Plan – DVR – Repeated and Updated
- 09-11 Control Deficiency over Personnel File Maintenance – DVR – Resolved
- 09-12 Control Deficiency over Approval of Vendor Payments – DVR – Repeated and Updated
- 09-13-CS Compliance Finding over Timely Cash Deposit – Repeated and Updated
- 09-14-CS Significant Deficiency over Supporting Documentation – Resolved
- 09-15-CS Control Deficiency over Payroll Review – Repeated and Updated
- 09-16-CS Control Deficiency over Purchase Order Modifications – Repeated and Updated

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Summary Schedule of Prior Year Audit Findings

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

- 09-17-CS Control Deficiency over Cash Reconciliation – Repeated and Updated
- 09-18-CS Compliance Finding over Over-Expended Funds – Repeated and Updated
- 09-19-CS Significant Deficiency over Review and Approval Procedures – Repeated and Updated
- 09-20-CS Control Deficiency over Supporting Documentation – Repeated and Updated
- 09-21-CS Compliance Deficiency over Recording Agency Cash – Resolved
- 09-22-CS Compliance Finding over Procurement Procedures – Resolved
- 09-23-CS Compliance Finding over Disposal of Property – Resolved
- 09-24-CS Compliance Finding over State Cash Report – Repeated and Updated
- 09-25-CS Control Deficiency over Journal Entry Process – Repeated and Updated
- 09-26-CS Control Deficiency over Expense Report Reimbursements – Repeated and Updated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT**

Summary Schedule of Prior Year Audit Findings - continued

C. FINDINGS - MAJOR FEDERAL AWARD PROGRAMS

- 01-08 Compliance Finding over (Federal) Reconciliation to the U.S. Department of Education "G-5" System, All U.S. Department of Education 84.xxx - PED – (Significant Deficiency) Repeated and Updated
- 03-12 Significant Deficiency over Sub-recipient Monitoring and Reimbursement Policies and Procedures – PED – Repeated and Updated
- 06-12 Significant Deficiency over Periodic Payroll Certifications - Allowable Costs – Repeated and Updated
- 08-07 Compliance Finding over Sub-Recipient Documentation – PED – Repeated and Updated
- 08-08 Significant Deficiency over Grants Billing and Reimbursement Tracking – PED – Repeated and Updated
- 09-04 Compliance Finding over Federal Program Administration – Unallowable Costs – PED – Resolved
- 09-07 Compliance Finding over Report Review – PED – Resolved
- 09-10 Compliance Finding over Submissions of Reports – DVR – Resolved

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Exit Conference

An exit conference was held with the Department and the Charter Schools on December 2, 2010, at the Department's Mabry Hall. In attendance were:

PUBLIC EDUCATION DEPARTMENT

Susanna Murphy	Cabinet Secretary, Designate
Steve Burrell	Acting Deputy Secretary of Finance and Operations and Director of School Budget and Finance Analysis Bureau
Pashella Forte	Acting ASD Director
Maria Fidalgo	Audit & Accounting Bureau Chief
Gilbert Kometa, CGFM	Financial Coordinator Supervisor

DIVISION OF VOCATIONAL REHABILITATION

Ralph Vigil	Acting Director
Sherry Garcia	ASD Director
Jessica Lucero	Chief Financial Officer
Sandra Alva	General Ledger & Accounts Payable Manger

MEYNNERS + COMPANY, LLC

Georgie Ortiz, CPA, CGFM	Assurance Principal
Javier Machuca, CPA, CGFM	Assurance Senior Manager
Alan Demir, CICA	Assurance Senior
Anthony Chavez	Assurance Staff

NEW MEXICO COALITION FOR CHARTER SCHOOLS

Deanna Gomez	Business Manager - designee
Michael Vigil, CPA	Business Manager - designee
Mike Vigil, II	Business Manager - designee

STATE AUTHORIZED CHARTERED SCHOOLS:

ALBUQUERQUE SCHOOL OF EXCELLENCE

Ahmet Cetinkaya	Principal
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THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Jolene Jaramillo	Business Manager
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Exit Conference - continued

STATE AUTHORIZED CHARTERED SCHOOLS - continued:

ALMA D'ARTE CHARTER HIGH SHOOL

Casilda Provencio	Board Member
Irene Oliver-Lewis	Executive Artistic Producer
Juliette Padilla	Business Manager
Mark Hartshorne	Chief Administrative Officer

THE ASK ACADEMY

Daniel Barbour	Director
Kirk Hartom	Principal

CESAR CHAVEZ COMMUNITY SCHOOL

Deborah Albrycht	Business Manager
Caryl Thomas	Director/Principal
Al Bedmer	Board Member

CIEN AGUAS INTERNATIONAL SCHOOL

Michael Rodriguez	Director
Patrick Kelly	Business Manager
Lisa Meyer-Jacks	Board Member

COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Michael Vigil, CPA	Business Manager
Caitlin Robertson	Principal
Janet DeVesty	Bookkeeper

CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Suzy Sanchez	Business Manager
Thomas Crespín	Principal
Pam Romero	Board Member

GILBERT L. SENA CHARTER HIGH SCHOOL

Mary Louise Sena	Board Member
Nancy Romero	Director
Stan Albrycht	CFO

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Exit Conference - continued

STATE AUTHORIZED CHARTERED SCHOOLS - continued:

HORIZON WEST ACADEMY

Mana Sane Besante	Board Member
Amie Duran	Director
Cynthia Carter	Principal
Diana Cordova, CPA	Business Manager

THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Diana Cordova	Business Manager
Sean Joyce	Head of School
Brad Richardson	Board Member

THE MASTERS PROGRAM

Jill Epstein	Board Member, Audit Committee
Anne Salzmänn	Head of School
Mary Mumford	Business Manager

MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

John Dunphy	Board Member
Patrick Kelly	Business Manager - designee

THE NEW AMERICA SCHOOL

Janelle Taylor-Garcia	Prinicpal
Lorella Gurule-Lovato	Office Manager

NEW MEXICO SCHOOL FOR ARCHITECTURE, CONSTRUCTION AND ENGINEERING

David Vigil	Finance Director
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NEW MEXICO SCHOOL FOR THE ARTS

Charles Galbraith	Business Manager
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Exit Conference - continued

STATE AUTHORIZED CHARTERED SCHOOLS - continued:

NORTH VALLEY ACADEMY

Jerald E. Snider	Principal
Stephanie Belmore	Board Chair
Julie Crespy, CPA	Business Manager

SCHOOL OF DREAMS ACADEMY

Michael Ogas	Founder / Principal
Geri Bennett	Business Manager
Gene Carabajal	Board Member

SOUTH VALLEY PREPARATORY SCHOOL

Charlotte Alderte Trujillo	Principal
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TAOS ACADEMY

Tracy Filiss	Director
Annette Bowden	Assistant Business Manager

TAOS INTEGRATED SCHOOL OF THE ARTS

Sandy Berry	Director
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TIERRA ADENTRO

Rhonda Cortez	Business Manager
Veronica Torres	Principal
James Montoya, CPA	Board Member

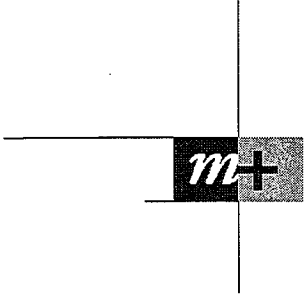
PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report.

STATE OF NEW MEXICO
PUBLIC EDUCATION
DEPARTMENT
Financial Statements for the
Year Ended June 30, 2010,
and Independent
Auditors' Report
Volume III of V

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III



New Mexico State Authorized Chartered Schools Supplementary Information
Notes and Findings III-2

Combining Financial Statements:
Combining Statement of Net Assets – Charter Schools III-4 – III-7
Combining Statement of Activities – Charter Schools III-8 – III-11
Combining Balance Sheet of Governmental Funds – Charter Schools III-12 – III-15
Reconciliation of the Combining Balance Sheet of
Governmental Funds – Charter Schools to the
Combining Statement of Net Assets – Charter Schools III-16 – III-19
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances – Charter Schools III-20 – III-23
Reconciliation of the Combining Statement of Revenues,
Expenditures and Changes in Fund Balances –
Charter Schools to the Combining Statement of
Activities – Charter Schools III-24 – III-27

Charter Schools Financial Statements:

Albuquerque School of Excellence:
Statement of Net Assets III-30
Statement of Activities III-31
Balance Sheet – Governmental Funds III-32
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets III-33
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds III-34
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities III-35
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) III-36 – III-38
Schedule of Cash and Temporary Investment Accounts III-39
Cash Reconciliation III-40

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III - continued

Charter Schools Financial Statements - continued:

The Albuquerque Sign Language Academy:

Statement of Net Assets	III-42
Statement of Activities.....	III-43
Balance Sheet – Governmental Funds	III-44
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-45
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-46
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	III-47
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)	III-48 – III-50
Schedule of Cash and Temporary Investment Accounts	III-51
Cash Reconciliation.....	III-52

Alma d’Arte Charter High School:

Statement of Net Assets	III-54
Statement of Activities.....	III-55
Balance Sheet – Governmental Funds	III-56– III-59
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-60
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-61 – III-64
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	III-65
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)	III-66 – III-87
Statement of Fiduciary Assets and Liabilities – Agency Funds	III-88
Schedule of Cash and Temporary Investment Accounts	III-89
Cash Reconciliation.....	III-90
Schedule of Changes in Assets and Liabilities – Agency Funds.....	III-91

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III - continued

New Mexico State-Chartered Schools Financial Statements - continued:

The ASK Academy:

Statement of Net Assets	III-93
Statement of Activities.....	III-94
Balance Sheet – Governmental Funds	III-95
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-96
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-97
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	III-98
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-99 – III-100
Statement of Fiduciary Assets and Liabilities – Agency Funds	III-101
Schedule of Cash and Temporary Investment Accounts	III-102
Cash Reconciliation.....	III-103
Schedule of Changes in Assets and Liabilities – Agency Funds.....	III-104

Cesar Chavez Community School:

Statement of Net Assets	III-106
Statement of Activities.....	III-107
Balance Sheet – Governmental Funds	III-108 – III-111
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-112
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-113 – III-116
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	III-117
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-118 – III-141
Statement of Fiduciary Assets and Liabilities – Agency Funds	III-142
Schedule of Cash and Temporary Investment Accounts	III-143
Cash Reconciliation.....	III-144
Schedule of Changes in Assets and Liabilities – Agency Funds.....	III-145

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume III - continued

Cien Aguas International School:

Statement of Net Assets	III-147
Statement of Activities.....	III-148
Balance Sheet – Governmental Funds	III-149 – III-151
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	III-152
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	III-153 – III-155
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	III-156
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis).....	III-157 – III-170
Schedule of Cash and Temporary Investment Accounts	III-171
Cash Reconciliation.....	III-172

**NEW MEXICO STATE-CHARTERED SCHOOLS
SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes and Findings

For Charter Schools' Notes to the Financial Statements, see Volume I, pages.

For Charter Schools' Schedule of Findings and Questioned Costs, refer to Volume I.

COMBINING FINANCIAL STATEMENTS

AS OF JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
CURRENT ASSETS:					
Cash and cash equivalents	\$ 43	36,710	20,377	26,660	195,748
Due from other governments	189,598	110,169	61,703	39,880	19,520
Prepaid expenses	-	-	-	-	-
Other Assets	-	-	-	-	-
TOTAL CURRENT ASSETS	189,641	146,879	82,080	66,540	215,268
NON-CURRENT ASSETS:					
Capital assets:					
Furniture, fixtures and equipment	-	-	134,722	-	146,231
Less: accumulated depreciation	-	-	(116,820)	-	(76,910)
TOTAL NON-CURRENT ASSETS	-	-	17,902	-	69,321
TOTAL ASSETS	\$ 189,641	146,879	99,982	66,540	284,589
LIABILITIES AND NET ASSETS:					
CURRENT LIABILITIES:					
Accounts payable	\$ 76,452	66,510	13,220	53,615	-
Accrued payroll	-	5,691	33,473	3,493	6,952
Deferred revenue	-	-	-	-	727
Compensated absences	-	-	-	-	-
Other current liabilities - due within one year	-	-	-	-	-
TOTAL CURRENT LIABILITIES	76,452	72,201	46,693	57,108	7,679
NON-CURRENT LIABILITIES:					
Other non-current liabilities due in more than one year	-	-	-	-	-
TOTAL LIABILITIES	76,452	72,201	46,693	57,108	7,679
NET ASSETS:					
Invested in capital assets	-	-	17,902	-	69,321
Restricted	113,146	98,478	31,775	3,407	5,670
Unrestricted	43	(23,800)	3,612	6,025	201,919
TOTAL NET ASSETS	113,189	74,678	53,289	9,432	276,910
TOTAL LIABILITIES AND NET ASSETS	\$ 189,641	146,879	99,982	66,540	284,589

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Net Assets - Charter Schools

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
259,157	128,916	33,065	396,880	288,498	114,799	8,898
45,792	9,129	42,155	40,394	177,230	-	143,884
4,820	6,621	-	-	14,525	-	5,123
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
309,769	151,343	75,220	437,274	480,253	114,799	157,905
60,807	-	-	84,363	28,084	66,946	-
<u>(7,943)</u>	<u>-</u>	<u>-</u>	<u>(45,293)</u>	<u>(24,267)</u>	<u>(7,759)</u>	<u>-</u>
<u>52,864</u>	<u>-</u>	<u>-</u>	<u>39,070</u>	<u>3,817</u>	<u>59,187</u>	<u>-</u>
<u>362,633</u>	<u>151,343</u>	<u>75,220</u>	<u>476,344</u>	<u>484,070</u>	<u>173,986</u>	<u>157,905</u>
41,243	-	-	3,326	9,488	53,051	72,945
22,428	177,099	38,273	53,428	185,921	23,341	-
-	-	-	-	-	-	-
-	-	93,734	-	89,388	-	-
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
63,671	183,776	132,007	56,754	284,797	76,392	72,945
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
63,671	183,776	132,007	56,754	284,797	76,392	72,945
52,864	-	-	39,070	3,817	59,187	-
125,243	92,140	12,509	45,938	472	69,541	76,062
<u>120,855</u>	<u>(124,573)</u>	<u>(69,296)</u>	<u>334,582</u>	<u>194,984</u>	<u>(31,134)</u>	<u>8,898</u>
<u>298,962</u>	<u>(32,433)</u>	<u>(56,787)</u>	<u>419,590</u>	<u>199,273</u>	<u>97,594</u>	<u>84,960</u>
<u>362,633</u>	<u>151,343</u>	<u>75,220</u>	<u>476,344</u>	<u>484,070</u>	<u>173,986</u>	<u>157,905</u>

AS OF JUNE 30, 2010

	Media Arts Collaborative Charter School	The New America School	NM School for Architecture, Construction & Engineering	New Mexico School for the Arts	North Valley Academy
CURRENT ASSETS:					
Cash and cash equivalents	\$ 280,736	336,484	57,625	14,112	230,689
Due from other governments	90,042	74,561	-	-	328,984
Prepaid expenses	-	6,524	11,221	38,495	16,006
Other Assets	-	-	-	12,500	8,220
TOTAL CURRENT ASSETS	370,778	417,569	68,846	65,107	583,899
NON-CURRENT ASSETS:					
Capital assets:					
Furniture, fixtures and equipment	1,624,962	122,042	-	51,758	91,474
Less: accumulated depreciation	(34,051)	(26,104)	-	(975)	(61,735)
TOTAL NON-CURRENT ASSETS	1,590,911	95,938	-	50,783	29,739
TOTAL ASSETS	\$ 1,961,689	513,507	68,846	115,890	613,638
LIABILITIES AND NET ASSETS:					
CURRENT LIABILITIES:					
Accounts payable	\$ 11,810	15,948	27,607	68,175	184,561
Accrued payroll	81,390	96,091	-	-	346,924
Deferred revenue	-	-	-	-	-
Compensated absences	-	-	-	-	4,032
Other current liabilities - due within one year	91,314	-	-	-	-
TOTAL CURRENT LIABILITIES	184,514	112,039	27,607	68,175	535,517
NON-CURRENT LIABILITIES:					
Other non-current liabilities due in more than one year	989,466	-	-	-	-
TOTAL LIABILITIES	1,173,980	112,039	27,607	68,175	535,517
NET ASSETS:					
Invested in capital assets	510,131	95,938	-	50,783	29,739
Restricted for special revenue funds	26,175	46,099	41,239	-	(4,111)
Unrestricted	251,403	259,431	-	(3,068)	52,493
TOTAL NET ASSETS	787,709	401,468	41,239	47,715	78,121
TOTAL LIABILITIES AND NET ASSETS	\$ 1,961,689	513,507	68,846	115,890	613,638

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Net Assets - Charter Schools - continued

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
157,085	11,338	137,942	43,671	60,123	2,839,556
29,257	246,342	29,169	-	-	1,677,809
8,501	47,093	67,200	28,667	9,692	264,488
<u>-</u>	<u>27,310</u>	<u>4,000</u>	<u>6,000</u>	<u>-</u>	<u>64,707</u>
194,843	332,083	238,311	78,338	69,815	4,846,560
202,984	-	12,344	-	-	2,626,717
<u>(63,616)</u>	<u>-</u>	<u>(3,069)</u>	<u>-</u>	<u>-</u>	<u>(468,542)</u>
<u>139,368</u>	<u>-</u>	<u>9,275</u>	<u>-</u>	<u>-</u>	<u>2,158,175</u>
<u>334,211</u>	<u>332,083</u>	<u>247,586</u>	<u>78,338</u>	<u>69,815</u>	<u>7,004,735</u>
9,960	16,150	15,147	23,117	14,214	776,539
2,491	7,267	81,963	-	-	1,166,225
-	-	-	-	-	727
-	-	-	-	-	187,154
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,991</u>
12,451	23,417	97,110	23,117	14,214	2,228,636
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>989,466</u>
12,451	23,417	97,110	23,117	14,214	3,218,102
139,368	-	9,275	-	-	1,077,395
33,710	308,865	25,694	55,151	-	1,207,203
<u>148,682</u>	<u>(199)</u>	<u>115,507</u>	<u>70</u>	<u>55,601</u>	<u>1,502,035</u>
<u>321,760</u>	<u>308,666</u>	<u>150,476</u>	<u>55,221</u>	<u>55,601</u>	<u>3,786,633</u>
<u>334,211</u>	<u>332,083</u>	<u>247,586</u>	<u>78,338</u>	<u>69,815</u>	<u>7,004,735</u>

AS OF JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
PROGRAM EXPENSES:					
School activities	\$ 76,509	167,883	2,034,579	146,300	2,189,994
PROGRAM REVENUES:					
Charges for services	-	-	34,920	-	-
Operating grants and contributions	189,598	242,561	424,786	155,732	543,778
Capital grants and contributions	-	-	-	-	-
TOTAL PROGRAM REVENUES	<u>189,598</u>	<u>242,561</u>	<u>459,706</u>	<u>155,732</u>	<u>543,778</u>
NET PROGRAM (EXPENSE) REVENUES	113,089	74,678	(1,574,873)	9,432	(1,646,216)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee	-	-	1,465,441	-	1,485,561
Miscellaneous	100	-	79,261	-	152,157
Gain (Loss) on the disposal of assets	-	-	-	-	(8,454)
Transfers in / out	-	-	-	-	-
TOTAL GENERAL REVENUES AND TRANSFERS	<u>100</u>	<u>-</u>	<u>1,544,702</u>	<u>-</u>	<u>1,629,264</u>
CHANGE IN NET ASSETS	113,189	74,678	(30,171)	9,432	(16,952)
NET ASSETS, BEGINNING	-	-	83,460	-	293,862
RESTATEMENTS	-	-	-	-	-
NET ASSETS, BEGINNING RESTATED	<u>-</u>	<u>-</u>	<u>83,460</u>	<u>-</u>	<u>293,862</u>
NET ASSETS, ENDING	\$ <u>113,189</u>	<u>74,678</u>	<u>53,289</u>	<u>9,432</u>	<u>276,910</u>

Combining Statement of Net Activities - Charter Schools

<u>Cien Aguas International School</u>	<u>Cottonwood Classical Preparatory School</u>	<u>Creative Education Preparatory Institute #1</u>	<u>Gilbert L. Sena Charter High School</u>	<u>Horizon Academy West</u>	<u>The International School at Mesa del Sol</u>	<u>The MASTERS Program</u>
<u>1,518,893</u>	<u>2,793,172</u>	<u>2,115,260</u>	<u>2,126,149</u>	<u>3,500,806</u>	<u>1,198,302</u>	<u>196,078</u>
-	25,616	9,360	-	70,270	29,576	-
299,651	385,434	242,819	477,458	1,215,182	154,904	271,038
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>299,651</u>	<u>411,050</u>	<u>252,179</u>	<u>477,458</u>	<u>1,285,452</u>	<u>184,480</u>	<u>271,038</u>
(1,219,242)	(2,382,122)	(1,863,081)	(1,648,691)	(2,215,354)	(1,013,822)	74,960
856,459	1,936,529	1,539,245	1,625,194	2,268,536	479,882	-
277,172	47,214	2,644	77,864	3,601	85,716	10,000
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,133,631</u>	<u>1,983,743</u>	<u>1,541,889</u>	<u>1,703,058</u>	<u>2,272,137</u>	<u>565,598</u>	<u>10,000</u>
(85,611)	(398,379)	(321,192)	54,367	56,783	(448,224)	84,960
384,573	365,946	264,405	365,223	161,487	545,818	-
-	-	-	-	(18,997)	-	-
<u>384,573</u>	<u>365,946</u>	<u>264,405</u>	<u>365,223</u>	<u>142,490</u>	<u>545,818</u>	<u>-</u>
<u>298,962</u>	<u>(32,433)</u>	<u>(56,787)</u>	<u>419,590</u>	<u>199,273</u>	<u>97,594</u>	<u>84,960</u>

AS OF JUNE 30, 2010

	<u>Media Arts Collaborative Charter School</u>	<u>The New America School</u>	<u>NM School for Architecture, Construction & Engineering</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>
PROGRAM EXPENSES:					
School activities	\$ <u>1,991,584</u>	<u>2,411,131</u>	<u>200,724</u>	<u>560,115</u>	<u>3,531,707</u>
PROGRAM REVENUES:					
Charges for services	46,130	1,018	-	-	51,450
Operating grants and contributions	299,043	545,942	222,986	528,100	1,034,203
Capital grants and contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PROGRAM REVENUES	<u>345,173</u>	<u>546,960</u>	<u>222,986</u>	<u>528,100</u>	<u>1,085,653</u>
NET PROGRAM (EXPENSE) REVENUES	(1,647,133)	(1,864,171)	22,262	(32,015)	(2,446,054)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee	1,731,995	1,796,005	-	-	2,707,666
Miscellaneous	15,803	-	18,977	79,730	27,753
Gain (Loss) on the disposal of assets	-	-	-	-	-
Transfers in / out	<u>325,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL REVENUES AND TRANSFERS	<u>2,072,798</u>	<u>1,796,005</u>	<u>18,977</u>	<u>79,730</u>	<u>2,735,419</u>
CHANGE IN NET ASSETS	425,665	(68,166)	41,239	47,715	289,365
NET ASSETS, BEGINNING	357,265	469,634	-	-	(211,244)
RESTATEMENTS	4,779	-	-	-	-
NET ASSETS, BEGINNING RESTATED	<u>362,044</u>	<u>469,634</u>	<u>-</u>	<u>-</u>	<u>(211,244)</u>
NET ASSETS, ENDING	\$ <u>787,709</u>	<u>401,468</u>	<u>41,239</u>	<u>47,715</u>	<u>78,121</u>

Combining Statement of Net Activities - Charter Schools - continued

<u>School of Dreams Academy</u>	<u>South Valley Preparatory School</u>	<u>Taos Academy</u>	<u>Taos Integrated School of the Arts</u>	<u>Tierra Adentro</u>	<u>Total</u>
<u>1,219,356</u>	<u>130,027</u>	<u>1,134,807</u>	<u>32,294</u>	<u>143,482</u>	<u>29,419,152</u>
-	-	-	-	-	268,340
192,576	438,693	459,132	87,395	199,083	8,610,094
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>192,576</u>	<u>438,693</u>	<u>459,132</u>	<u>87,395</u>	<u>199,083</u>	<u>8,878,434</u>
(1,026,780)	308,666	(675,675)	55,101	55,601	(20,541,440)
1,091,028	-	829,321	-	-	19,812,862
518	-	3,261	120	-	881,891
-	-	-	-	-	(8,454)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>325,000</u>
<u>1,091,546</u>	<u>-</u>	<u>832,582</u>	<u>120</u>	<u>-</u>	<u>21,011,299</u>
64,766	308,666	156,907	55,221	55,601	469,859
256,994	-	(6,431)	-	-	3,330,992
-	-	-	-	-	(14,218)
<u>256,994</u>	<u>-</u>	<u>(6,431)</u>	<u>-</u>	<u>-</u>	<u>3,316,774</u>
<u>321,760</u>	<u>308,666</u>	<u>150,476</u>	<u>55,221</u>	<u>55,601</u>	<u>3,786,633</u>

AS OF JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 43	36,710	20,377	26,660	195,748
Due from other governments	189,598	110,169	61,703	39,880	19,520
Due from other funds	-	25	87,619	-	19,320
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ 189,641	146,904	169,699	66,540	234,588
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 76,452	66,510	13,220	53,615	-
Accrud payroll	-	5,691	33,473	3,493	6,952
Due to other funds	-	25	87,619	-	20,047
Deferred revenue	-	-	-	-	-
Other current liabilities	-	-	-	-	-
TOTAL LIABILITIES	76,452	72,226	134,312	57,108	26,999
FUND BALANCES:					
Reserved	113,146	98,478	31,775	3,407	5,670
Unreserved	43	(23,800)	3,612	6,025	201,919
TOTAL FUND BALANCES (DEFICIT)	113,189	74,678	35,387	9,432	207,589
TOTAL LIABILITIES AND FUND BALANCES	\$ 189,641	146,904	169,699	66,540	234,588

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Balance Sheet of Governmental Funds - Charter Schools

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
259,157	128,916	33,065	396,880	288,498	114,799	8,898
45,792	9,129	42,155	40,394	177,230	-	143,884
38,684	6,675	201,813	40,394	158,736	-	-
4,820	6,621	-	-	14,525	-	5,123
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>348,453</u>	<u>158,018</u>	<u>277,033</u>	<u>477,668</u>	<u>638,989</u>	<u>114,799</u>	<u>157,905</u>
41,243	-	-	3,326	9,488	53,051	72,945
22,428	177,099	38,273	53,428	185,921	23,341	-
38,684	6,675	201,813	40,394	158,736	-	-
-	-	-	-	-	-	70,939
<u>-</u>	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
102,355	190,451	240,086	97,148	354,145	76,392	143,884
125,243	92,140	12,509	45,938	472	69,541	5,123
<u>120,855</u>	<u>(124,573)</u>	<u>24,438</u>	<u>334,582</u>	<u>284,372</u>	<u>(31,134)</u>	<u>8,898</u>
<u>246,098</u>	<u>(32,433)</u>	<u>36,947</u>	<u>380,520</u>	<u>284,844</u>	<u>38,407</u>	<u>14,021</u>
<u>348,453</u>	<u>158,018</u>	<u>277,033</u>	<u>477,668</u>	<u>638,989</u>	<u>114,799</u>	<u>157,905</u>

AS OF JUNE 30, 2010

	Media Arts Collaborative Charter School	The New America School	NM School for Architecture, Construction & Engineering	New Mexico School for the Arts	North Valley Academy
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 280,736	336,484	57,625	14,112	230,689
Due from other governments	90,042	74,561	-	-	328,984
Due from other funds	83,537	68,728	-	-	428,036
Prepaid expenses	-	6,524	11,221	38,495	16,006
Other assets	-	-	-	12,500	8,220
TOTAL ASSETS	\$ 454,315	486,297	68,846	65,107	1,011,935
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 11,810	15,948	27,607	68,175	184,561
Accrud payroll	81,390	96,091	-	-	346,924
Due to other funds	83,537	68,728	-	-	428,036
Deferred revenue	-	-	-	-	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	176,737	180,767	27,607	68,175	959,521
FUND BALANCES:					
Reserved	21,585	46,099	41,239	38,495	(28,337)
Unreserved	255,993	259,431	-	(41,563)	80,751
TOTAL FUND BALANCES (DEFICIT)	277,578	305,530	41,239	(3,068)	52,414
TOTAL LIABILITIES AND FUND BALANCES	\$ 454,315	486,297	68,846	65,107	1,011,935

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Balance Sheet of Governmental Funds - Charter Schools - continued

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
157,085	11,338	137,942	43,671	60,123	2,839,556
29,257	246,342	29,169	-	-	1,677,809
24,245	199	28,348	-	-	1,186,359
8,501	47,093	67,200	28,667	9,692	264,488
<u>-</u>	<u>27,310</u>	<u>4,000</u>	<u>6,000</u>	<u>-</u>	<u>64,707</u>
<u>219,088</u>	<u>332,282</u>	<u>266,659</u>	<u>78,338</u>	<u>69,815</u>	<u>6,032,919</u>
9,960	16,150	15,147	23,117	14,214	776,539
2,491	7,267	81,963	-	-	1,166,225
24,245	199	28,348	-	-	1,187,086
-	-	-	-	-	70,939
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,677</u>
36,696	23,616	125,458	23,117	14,214	3,207,466
33,710	308,865	25,694	55,151	-	1,145,943
<u>148,682</u>	<u>(199)</u>	<u>115,507</u>	<u>70</u>	<u>55,601</u>	<u>1,679,510</u>
<u>182,392</u>	<u>308,666</u>	<u>141,201</u>	<u>55,221</u>	<u>55,601</u>	<u>2,825,453</u>
<u>219,088</u>	<u>332,282</u>	<u>266,659</u>	<u>78,338</u>	<u>69,815</u>	<u>6,032,919</u>

YEAR ENDED JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 113,189	74,678	35,387	9,432	207,589
Amounts reported for governmental activities in the Statement of Net Assets are different because:					
Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.					
	-	-	-	-	-
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:					
Capital assets	-	-	134,722	-	146,231
Accumulated depreciation	-	-	(116,820)	-	(76,910)
Total capital assets	-	-	17,902	-	69,321
Compensated absences	-	-	-	-	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.					
Capital leases	-	-	-	-	-
Net assets of governmental activities (Statement of Net Assets)	\$ 113,189	74,678	53,289	9,432	276,910

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Combining Balance Sheet of Governmental Funds -
to the Combining Statement of Net Assets - continued

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
246,098	(32,433)	36,947	380,520	284,844	38,407	14,021
-	-	-	-	-	-	70,939
60,807	-	-	84,363	28,084	66,946	-
<u>(7,943)</u>	<u>-</u>	<u>-</u>	<u>(45,293)</u>	<u>(24,267)</u>	<u>(7,759)</u>	<u>-</u>
52,864	-	-	39,070	3,817	59,187	-
<u>-</u>	<u>-</u>	<u>(93,734)</u>	<u>-</u>	<u>(89,388)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>298,962</u>	<u>(32,433)</u>	<u>(56,787)</u>	<u>419,590</u>	<u>199,273</u>	<u>97,594</u>	<u>84,960</u>

YEAR ENDED JUNE 30, 2010

	<u>Media Arts Collaborative Charter School</u>	<u>The New America School</u>	<u>NM School for Architecture, Construction & Engineering</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 277,578	305,530	41,239	(3,068)	52,414
Amounts reported for governmental activities in the Statement of Net Assets are different because:					
Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:					
Capital assets	1,624,962	122,042	-	51,758	91,474
Accumulated depreciation	<u>(34,051)</u>	<u>(26,104)</u>	<u>-</u>	<u>(975)</u>	<u>(61,735)</u>
Total capital assets	1,590,911	95,938	-	50,783	29,739
Compensated absences	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,032)</u>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.					
Capital leases	<u>(1,080,780)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u>787,709</u>	<u>401,468</u>	<u>41,239</u>	<u>47,715</u>	<u>78,121</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Combining Balance Sheet of Governmental Funds -
to the Combining Statement of Net Assets - continued

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
182,392	308,666	141,201	55,221	55,601	2,825,453
-	-	-	-	-	70,939
202,984	-	12,344	-	-	2,626,717
<u>(63,616)</u>	<u>-</u>	<u>(3,069)</u>	<u>-</u>	<u>-</u>	<u>(468,542)</u>
139,368	-	9,275	-	-	2,158,175
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(187,154)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,080,780)</u>
<u>321,760</u>	<u>308,666</u>	<u>150,476</u>	<u>55,221</u>	<u>55,601</u>	<u>3,786,633</u>

AS OF JUNE 30, 2010

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
REVENUES:					
Federal revenue	\$ 186,191	239,154	391,455	152,325	420,010
State revenue	3,407	3,407	1,498,772	3,407	1,609,329
Other revenue	100	-	114,181	-	152,157
TOTAL REVENUES	189,698	242,561	2,004,408	155,732	2,181,496
EXPENDITURES:					
Current:					
Instruction	2,646	96,480	1,276,351	1,260	1,084,642
Support services:					
Students	-	-	27,388	980	315,346
Instruction	-	-	-	-	210,521
General administration	37,529	3,285	45,227	2,930	18,241
School administration	7,000	43,665	188,348	23,333	152,259
Central Services	2,264	21,760	156,465	97,635	60,304
Operation and maintenance of plant	27,070	2,668	260,110	20,162	313,232
Student transportation	-	-	-	-	-
Other support services	-	25	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	70,061	-	13,081
Community services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	76,509	167,883	2,023,950	146,300	2,167,626
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	113,189	74,678	(19,542)	9,432	13,870
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	113,189	74,678	(19,542)	9,432	13,870
FUND BALANCES (DEFICIT), BEGINNING OF YEAR					
	-	-	54,929	-	193,719
RESTATEMENT					
	-	-	-	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR - RESTATED					
	-	-	54,929	-	193,719
FUND BALANCES (DEFICIT), END OF YEAR	\$ 113,189	74,678	35,387	9,432	207,589

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Charter Schools

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
177,154	521,432	153,916	318,800	886,413	91,976	200,099
978,956	2,089,264	1,628,148	1,783,852	2,631,555	542,810	-
<u>277,205</u>	<u>155,464</u>	<u>12,004</u>	<u>77,864</u>	<u>75,814</u>	<u>115,292</u>	<u>10,000</u>
1,433,315	2,766,160	1,794,068	2,180,516	3,593,782	750,078	210,099
917,578	1,738,105	1,109,011	1,079,032	1,682,369	478,550	13,151
113,499	93,106	276,688	330,361	245,252	22,376	-
3,550	-	2,707	27,996	53,840	-	-
31,993	68,367	20,803	19,300	24,781	76,514	163,879
251,526	336,739	126,104	252,091	508,599	400,213	566
23,420	135,422	130,543	75,479	50,577	46,261	18,482
169,688	421,384	433,395	330,653	787,693	141,503	-
-	-	-	-	-	-	-
-	49	-	-	1,977	-	-
-	-	-	-	186,334	10,014	-
-	-	-	-	-	15,112	-
<u>38,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,946</u>	<u>-</u>
<u>1,549,763</u>	<u>2,793,172</u>	<u>2,099,251</u>	<u>2,114,912</u>	<u>3,541,422</u>	<u>1,257,489</u>	<u>196,078</u>
(116,448)	(27,012)	(305,183)	65,604	52,360	(507,411)	14,021
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(116,448)</u>	<u>(27,012)</u>	<u>(305,183)</u>	<u>65,604</u>	<u>52,360</u>	<u>(507,411)</u>	<u>14,021</u>
<u>362,546</u>	<u>(5,421)</u>	<u>342,130</u>	<u>314,916</u>	<u>251,481</u>	<u>545,818</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,997)</u>	<u>-</u>	<u>-</u>
<u>362,546</u>	<u>(5,421)</u>	<u>342,130</u>	<u>314,916</u>	<u>232,484</u>	<u>545,818</u>	<u>-</u>
<u>246,098</u>	<u>(32,433)</u>	<u>36,947</u>	<u>380,520</u>	<u>284,844</u>	<u>38,407</u>	<u>14,021</u>

AS OF JUNE 30, 2010

	Media Arts Collaborative Charter School	The New America School	NM School for Architecture, Construction & Engineering	New Mexico School for the Arts	North Valley Academy
REVENUES:					
Federal revenue	\$ 356,204	291,599	219,579	-	566,442
State revenue	1,847,933	2,050,348	3,407	528,100	3,205,526
Other revenue	61,933	1,018	18,977	79,730	58,640
TOTAL REVENUES	2,266,070	2,342,965	241,963	607,830	3,830,608
EXPENDITURES:					
Current:					
Instruction	1,074,070	984,796	29,894	33,468	1,994,701
Support services:					
Students	228,547	195,885	150	-	404,494
Instruction	-	32,256	129,280	-	-
General administration	52,733	110,538	10,729	14,621	17,755
School administration	246,992	317,364	845	407,409	218,054
Central Services	67,615	175,242	20,876	44,506	57,796
Operation and maintenance of plant	259,428	565,968	8,950	59,136	780,309
Student transportation	-	4,033	-	-	-
Other support services	-	-	-	-	-
	62,839				
Operation of non-instructional services:					
Food services operations	26,168	834	-	-	137,510
Community services operations	-	-	-	-	-
Capital outlay	1,616,801	54,042	-	51,758	-
TOTAL EXPENDITURES	3,635,193	2,440,958	200,724	610,898	3,610,619
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,369,123)	(97,993)	41,239	(3,068)	219,989
OTHER FINANCING SOURCES (USES):					
Transfers in	325,000	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	1,140,773	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,465,773	-	-	-	-
NET CHANGE IN FUND BALANCE	96,650	(97,993)	41,239	(3,068)	219,989
FUND BALANCES (DEFICIT), BEGINNING OF YEAR					
	176,149	403,523	-	-	(167,575)
RESTATEMENT					
	4,779	-	-	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR - RESTATED					
	180,928	403,523	-	-	(167,575)
FUND BALANCES (DEFICIT), END OF YEAR	\$ 277,578	305,530	41,239	(3,068)	52,414

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Charter Schools - continued

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
136,905	435,286	326,888	83,988	195,676	6,351,492
1,186,754	3,407	961,565	3,407	3,407	22,566,761
<u>518</u>	<u>-</u>	<u>3,261</u>	<u>120</u>	<u>-</u>	<u>1,214,278</u>
1,324,177	438,693	1,291,714	87,515	199,083	30,132,531
349,392	46,058	513,327	57	1,825	14,506,763
109,014	-	117,573	-	8,557	2,489,216
38,158	-	51,375	-	41,823	591,506
45,215	6,229	34,319	12,095	10,172	827,255
198,056	44,913	182,429	15,186	55,484	3,977,175
54,792	27,257	86,691	4,776	25,436	1,383,599
360,460	5,570	146,624	150	185	5,094,338
-	-	-	-	-	4,033
-	-	-	30	-	2,081
-	-	-	-	-	444,002
2,612	-	-	-	-	17,724
<u>180,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,008,156</u>
<u>1,337,799</u>	<u>130,027</u>	<u>1,132,338</u>	<u>32,294</u>	<u>143,482</u>	<u>31,345,848</u>
(13,622)	308,666	159,376	55,221	55,601	(1,276,156)
-	-	-	-	-	325,000
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,140,773</u>
-	-	-	-	-	1,465,773
<u>(13,622)</u>	<u>308,666</u>	<u>159,376</u>	<u>55,221</u>	<u>55,601</u>	<u>189,617</u>
<u>196,014</u>	<u>-</u>	<u>(18,175)</u>	<u>-</u>	<u>-</u>	<u>2,650,054</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,218)</u>
<u>196,014</u>	<u>-</u>	<u>(18,175)</u>	<u>-</u>	<u>-</u>	<u>2,635,836</u>
<u>182,392</u>	<u>308,666</u>	<u>141,201</u>	<u>55,221</u>	<u>55,601</u>	<u>2,825,453</u>

YEAR ENDED JUNE 30, 2009

	Albuquerque School of Excellence	The Albuquerque Sign Language Academy	Alma d'Arte Charter High School	The ASK Academy	Cesar Chavez Community School
Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>113,189</u>	<u>74,678</u>	<u>(19,542)</u>	<u>9,432</u>	<u>13,870</u>
Amounts reported for governmental activities in the Statement of Activities are different because:					
Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.					
	-	-	-	-	-
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:					
Capital outlay	-	-	-	-	-
Depreciation expense	-	-	(10,629)	-	(22,368)
Gain (Loss) on the disposal of equipment	-	-	-	-	(8,454)
Excess of capital outlay over depreciation expense	-	-	(10,629)	-	(30,822)
Governmental Funds report compensated absences as expenditures. However, in the Statement of Activities, the cost of those liabilities is accrued. In the current period, this amount was:					
	-	-	-	-	-
Capital assets acquired by capital leases are shown as an expenditure and other financing source in the the governmental funds. The other financing source must be removed from the statement of activities; principal payments are applied to the lease liability.					
Other financing source - capital lease	-	-	-	-	-
Principal payments of capital lease	-	-	-	-	-
Change in net assets of governmental activities (Statement of Activities)	\$ <u>113,189</u>	<u>74,678</u>	<u>(30,171)</u>	<u>9,432</u>	<u>(16,952)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Charter Schools
to the Combining Statement of Activities - Charter Schools

Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Gilbert L. Sena Charter High School	Horizon Academy West	The International School at Mesa del Sol	The MASTERS Program
(116,448)	(27,012)	(305,183)	65,604	52,360	(507,411)	14,021
-	(371,367)	-	-	(36,193)	-	70,939
38,509 (7,672)	-	-	-	-	66,946 (7,759)	-
-	-	-	(11,237)	(3,817)	-	-
30,837	-	-	(11,237)	(3,817)	59,187	-
-	-	(16,009)	-	44,433	-	-
-	-	-	-	-	-	-
(85,611)	(398,379)	(321,192)	54,367	56,783	(448,224)	84,960

YEAR ENDED JUNE 30, 2009

	Media Arts Collaborative Charter School	The New America School	NM School for Architecture, Construction & Engineering	New Mexico School for the Arts	North Valley Academy
Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 96,650	(97,993)	41,239	(3,068)	219,989
Amounts reported for governmental activities in the Statement of Activities are different because:					
Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.					
	(173,099)	-	-	-	(9,536)
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:					
Capital outlay	1,616,801	54,042	-	51,758	-
Depreciation expense	(33,907)	(24,215)	-	(975)	(12,658)
Gain (Loss) on the disposal of equipment	-	-	-	-	-
Excess of capital outlay over depreciation expense	1,582,894	29,827	-	50,783	(12,658)
Governmental Funds report compensated absences as expenditures. However, in the Statement of Activities, the cost of those liabilities is accrued. In the current period, this amount was:					
	-	-	-	-	91,570
Capital assets acquired by capital leases are shown as an expenditure and other financing source in the the governmental funds. The other financing source must be removed from the statement of activities; principal payments are applied to the lease liability.					
Other financing source - capital lease	(1,140,773)	-	-	-	-
Principal payments of capital lease	59,993	-	-	-	-
Change in net assets of governmental activities (Statement of Activities)	\$ 425,665	(68,166)	41,239	47,715	289,365

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Reconciliation of the Combining Statement of Revenues,
Expenditures and Changes in Fund Balances - Charter Schools
to the Combining Statement of Activities - Charter Schools

School of Dreams Academy	South Valley Preparatory School	Taos Academy	Taos Integrated School of the Arts	Tierra Adentro	Total
(13,622)	308,666	159,376	55,221	55,601	189,617
(40,055)	-	-	-	-	(559,311)
180,100	-	-	-	-	2,008,156
(61,657)	-	(2,469)	-	-	(199,363)
-	-	-	-	-	(8,454)
118,443	-	(2,469)	-	-	1,800,339
-	-	-	-	-	119,994
-	-	-	-	-	(1,140,773)
-	-	-	-	-	59,993
<u>64,766</u>	<u>308,666</u>	<u>156,907</u>	<u>55,221</u>	<u>55,601</u>	<u>469,859</u>

CHARTER SCHOOLS FINANCIAL STATEMENTS

ALBUQUERQUE SCHOOL OF EXCELLENCE

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 43
Due from other governments	189,598
Prepaid expenses	-
Other assets	-
TOTAL CURRENT ASSETS	<u>189,641</u>
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	-
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	<u>\$ 189,641</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 76,452
Accrued payroll	-
Due to other funds	-
Compensated absences- due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	<u>76,452</u>
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	<u>76,452</u>
NET ASSETS:	
Invested in capital assets	-
Restricted	113,146
Unrestricted	43
TOTAL NET ASSETS	<u>113,189</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 189,641</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statement of Activities

YEAR ENDED JUNE 30, 2010

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 2,646	-	189,598	-	186,952
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	37,529	-	-	-	(37,529)
School administration	7,000	-	-	-	(7,000)
Central Services	2,264	-	-	-	(2,264)
Operation and maintenance of plant	27,070	-	-	-	(27,070)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>76,509</u>	<u>-</u>	<u>189,598</u>	<u>-</u>	113,089
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					100
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>100</u>
CHANGE IN NET ASSETS					113,189
NET ASSETS, BEGINNING OF YEAR					<u>-</u>
NET ASSETS, END OF YEAR					\$ <u>113,189</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter School (Federal)</u>	<u>CS - Charter School (State)</u>	<u>Total Primary Government</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 43	-	-	43
Due from other governments	-	186,191	3,407	189,598
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	\$ <u>43</u>	<u>186,191</u>	<u>3,407</u>	<u>189,641</u>
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	76,452	-	76,452
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	-	76,452	-	76,452
FUND BALANCES:				
Reserved	-	109,739	3,407	113,146
Unreserved	<u>43</u>	<u>-</u>	<u>-</u>	<u>43</u>
TOTAL FUND BALANCES (DEFICIT)	<u>43</u>	<u>109,739</u>	<u>3,407</u>	<u>113,189</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>43</u>	<u>186,191</u>	<u>3,407</u>	<u>189,641</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>113,189</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>113,189</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Charter School (Federal)	CS - Charter School (State)	Total Primary Government
REVENUES:				
Federal revenue	\$ -	186,191	-	186,191
State revenue	-	-	3,407	3,407
Other revenue	100	-	-	100
TOTAL REVENUES	100	186,191	3,407	189,698
EXPENDITURES:				
Current:				
Instruction	-	2,646	-	2,646
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	37,529	-	37,529
School administration	-	7,000	-	7,000
Central Services	57	2,207	-	2,264
Operation and maintenance of plant	-	27,070	-	27,070
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	57	76,452	-	76,509
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	43	109,739	3,407	113,189
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	43	109,739	3,407	113,189
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ 43	109,739	3,407	113,189

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>113,189</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u>113,189</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	100	-
TOTAL REVENUES	-	-	100	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	57	(57)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	57	(57)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	43	43
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	43	43
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 43	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 43	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (FEDERAL)			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	432,000	-	(432,000)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	432,000	-	(432,000)
EXPENDITURES:				
Instruction	-	236,500	-	236,500
Support services	-	195,500	-	195,500
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	432,000	-	432,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (76,452)	
Adjustments to revenues			186,191	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 109,739	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (STATE)			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	3,407	-	(3,407)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	-	(3,407)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,407	-	3,407
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			3,407	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>43</u>	<u>43</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	-
2009-2010 revenues	189,698
Payables and other	76,452
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	266,150
LESS:	
2009-2010 expenditures	76,509
Receivables and other	189,598
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>43</u></u>

THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 36,710
Due from other governments	110,169
Prepaid expenses	-
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	146,879
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>146,879</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 66,510
Accrued payroll	5,691
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	72,201
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	72,201
NET ASSETS:	
Invested in capital assets	-
Restricted	98,478
Unrestricted	<u>(23,800)</u>
TOTAL NET ASSETS	<u>74,678</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>146,879</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 96,480	-	242,561	-	146,081
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	3,285	-	-	-	(3,285)
School administration	43,665	-	-	-	(43,665)
Central Services	21,760	-	-	-	(21,760)
Operation and maintenance of plant	2,668	-	-	-	(2,668)
Student transportation	-	-	-	-	-
Other support services	25	-	-	-	(25)
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 167,883	-	242,561	-	74,678
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					-
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					-
CHANGE IN NET ASSETS					74,678
NET ASSETS, BEGINNING					-
NET ASSETS, ENDING					\$ 74,678

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	CS - Operational	CS - Charter Schools	CS - Charter School Planning	Total Primary Government
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ -	33,303	3,407	36,710
Due from other governments	-	110,169	-	110,169
Due from other funds	-	25	-	25
Prepaid expenses	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	\$ -	143,497	3,407	146,904
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ 23,775	42,735	-	66,510
Accrued payroll	-	5,691	-	5,691
Due to other funds	25	-	-	25
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	23,800	48,426	-	72,226
FUND BALANCES:				
Reserved	-	95,071	3,407	98,478
Unreserved	(23,800)	-	-	(23,800)
TOTAL FUND BALANCES (DEFICIT)	(23,800)	95,071	3,407	74,678
TOTAL LIABILITIES AND FUND BALANCES	\$ -	143,497	3,407	146,904

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>74,678</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>74,678</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Charter Schools	CS - Charter School Planning	Total Primary Government
REVENUES:				
Federal revenue	\$ -	239,154	-	239,154
State revenue	-	-	3,407	3,407
Other revenue	-	-	-	-
TOTAL REVENUES	-	239,154	3,407	242,561
EXPENDITURES:				
Current:				
Instruction	-	96,480	-	96,480
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	3,285	-	3,285
School administration	-	43,665	-	43,665
Central Services	21,325	435	-	21,760
Operation and maintenance of plant	2,450	218	-	2,668
Student transportation	-	-	-	-
Other support services	25	-	-	25
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	23,800	144,083	-	167,883
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(23,800)	95,071	3,407	74,678
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	(23,800)	95,071	3,407	74,678
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ (23,800)	95,071	3,407	74,678

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>74,678</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u><u>74,678</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	23,800	(23,800)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	23,800	(23,800)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(23,800)	(23,800)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(23,800)	(23,800)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (23,800)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (23,800)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	432,000	239,154	(192,846)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	432,000	239,154	(192,846)
EXPENDITURES:				
Instruction	-	192,423	96,480	95,943
Support services	-	239,577	47,603	191,974
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	432,000	144,083	287,917
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	95,071	95,071
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	95,071	95,071
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 95,071	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 95,071	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL PLANNING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	3,407	-	3,407
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,407	3,407
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	3,407	3,407
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 3,407	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>64,788</u>	<u>36,710</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ALBUQUERQUE SIGN LANGUAGE ACADEMY

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	
2009-2010 revenues	242,561
Payables and other	72,201
Loans from other funds	<u>25</u>
TOTAL CASH AVAILABLE	314,787
LESS:	
2009-2010 expenditures	167,883
Receivables and other	110,169
Loan to other funds	<u>25</u>
CASH, June 30, 2010	\$ <u><u>36,710</u></u>

ALMA D'ARTE CHARTER HIGH SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 20,377
Due from other governments	61,703
Prepaid expenses	-
Other assets	-
TOTAL CURRENT ASSETS	82,080
NON-CURRENT ASSETS:	
Capital assets	134,722
Less accumulated depreciation	(116,820)
TOTAL NON-CURRENT ASSETS	17,902
TOTAL ASSETS	\$ 99,982
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 13,220
Accrued payroll	33,473
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	46,693
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	46,693
NET ASSETS:	
Invested in capital assets	17,902
Restricted	31,775
Unrestricted	3,612
TOTAL NET ASSETS	53,289
TOTAL LIABILITIES AND NET ASSETS	\$ 99,982

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,284,726	12,687	424,786	-	(847,253)
Support services:					
Students	29,642	-	-	-	(29,642)
Instruction	-	-	-	-	-
General administration	45,227	-	-	-	(45,227)
School administration	188,348	-	-	-	(188,348)
Central Services	156,465	-	-	-	(156,465)
Operation and maintenance of plant	260,110	-	-	-	(260,110)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	70,061	22,233	-	-	(47,828)
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>2,034,579</u>	<u>34,920</u>	<u>424,786</u>	<u>-</u>	<u>(1,574,873)</u>
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,465,441
Miscellaneous					79,261
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>1,544,702</u>
CHANGE IN NET ASSETS					(30,171)
NET ASSETS, BEGINNING OF YEAR					<u>83,460</u>
NET ASSETS, END OF YEAR					\$ <u>53,289</u>

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - Food Services</u>	<u>CS - T - I IASA</u>	<u>CS - ID - B</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 2,411	2,047	1,741	-	-
Due from other governments	-	-	-	6,896	16,905
Due from other funds	83,367	-	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>85,778</u>	<u>2,047</u>	<u>1,741</u>	<u>6,896</u>	<u>16,905</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 13,220	-	-	-	-
Accrued payroll	30,696	-	-	281	387
Due to other funds	-	-	1,748	6,615	3,861
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	43,916	-	1,748	6,896	4,248
FUND BALANCES:					
Reserved	-	2,047	-	-	12,657
Unreserved	<u>41,862</u>	<u>-</u>	<u>(7)</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>41,862</u>	<u>2,047</u>	<u>(7)</u>	<u>-</u>	<u>12,657</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>85,778</u>	<u>2,047</u>	<u>1,741</u>	<u>6,896</u>	<u>16,905</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Balance Sheet - Governmental Funds

<u>CS - Enhancing Education Thru Technology</u>	<u>CS - Teacher/ Principal Training & Recruiting</u>	<u>CS - Safe & Drug Free School & Community</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - AmeriCorps</u>
-	-	-	-	-	-
18,110	587	836	5,090	10,775	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,110</u>	<u>587</u>	<u>836</u>	<u>5,090</u>	<u>10,775</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	175	271	304
18,110	587	836	4,915	10,504	14,696
-	-	-	-	-	-
18,110	587	836	5,090	10,775	15,000
-	-	-	-	-	-
-	-	-	-	-	(15,000)
-	-	-	-	-	(15,000)
<u>18,110</u>	<u>587</u>	<u>836</u>	<u>5,090</u>	<u>10,775</u>	<u>-</u>

AS OF JUNE 30, 2010

	CS - State Equilization Guarantee	CS - Walton Family Foundation	CS - NM Attorney General Grant	CS - NM Community Foundation	CS - TQM in Public Schools PED
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 1,359	-	-	-	-
Due from other governments	-	-	-	-	2,504
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ 1,359	-	-	-	2,504
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	-
Accrued payroll	1,359	-	-	-	-
Due to other funds	-	-	-	20,000	2,504
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	1,359	-	-	20,000	2,504
FUND BALANCES:					
Reserved	-	-	-	-	-
Unreserved	-	-	-	(20,000)	-
TOTAL FUND BALANCES (DEFICIT)	-	-	-	(20,000)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,359	-	-	-	2,504

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Balance Sheet - Governmental Funds - continued

CS - Library Funds	CS - Technology for Education PED	CS - Incentives for School Impr Act PED	CS - Beginning Teacher Mentoring Program	CS - Library Book Fund Title	CS - McCune Charitable Foundation	Total Primary Government
-	-	-	2,071	-	10,748	20,377
-	-	-	-	-	-	61,703
-	-	-	-	-	4,252	87,619
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,071	-	15,000	169,699
-	-	-	-	-	-	13,220
-	-	-	-	-	-	33,473
3,243	-	-	-	-	-	87,619
-	-	-	-	-	-	-
3,243	-	-	-	-	-	134,312
-	-	-	2,071	-	15,000	31,775
(3,243)	-	-	-	-	-	3,612
(3,243)	-	-	2,071	-	15,000	35,387
-	-	-	2,071	-	15,000	169,699

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 35,387
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	134,722
Accumulated depreciation	<u>(116,820)</u>
Total capital assets	<u>17,902</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u>53,289</u>

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - Food Services	CS - T - I IASA	CS - ID - B
REVENUES:					
Federal revenue	\$ -	-	34,452	40,578	53,686
State revenue	1,465,441	8,018	-	-	-
Other revenue	70,810	-	22,233	-	-
TOTAL REVENUES	1,536,251	8,018	56,685	40,578	53,686
EXPENDITURES:					
Current:					
Instruction	903,047	6,401	-	40,578	41,029
Support services:					
Students	27,388	-	-	-	-
Instruction	-	-	-	-	-
General administration	45,227	-	-	-	-
School administration	188,348	-	-	-	-
Central Services	151,465	-	-	-	-
Operation and maintenance of plant	260,110	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	8,853	-	61,208	-	-
Community services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	1,584,438	6,401	61,208	40,578	41,029
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,187)	1,617	(4,523)	-	12,657
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(48,187)	1,617	(4,523)	-	12,657
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	90,049	430	4,516	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ 41,862	2,047	(7)	-	12,657

YEAR ENDED JUNE 30, 2010

	CS - Walton Family Foundation	CS - NM Attorney General Grant	CS - NM Community Foundation	CS - TQM in Public Schools PED	CS - Library Funds
REVENUES:					
Federal revenue	-	-	-	-	-
State revenue	-	-	-	2,504	-
Other revenue	-	6,138	-	-	-
TOTAL REVENUES	-	6,138	-	2,504	-
EXPENDITURES:					
Current:					
Instruction	4,815	-	-	2,504	3,243
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	4,815	-	-	2,504	3,243
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,815)	6,138	-	-	(3,243)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(4,815)	6,138	-	-	(3,243)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	4,815	(6,138)	(20,000)	-	-
FUND BALANCES (DEFICIT), END OF YEAR	-	-	(20,000)	-	(3,243)

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

CS - Technology for Education PED	CS - Incentives for School Impr Act PED	CS - Beginning Teacher Mentoring Program	CS - Library Book Fund Title	CS - McCune Charitable Foundation	Total Primary Government
-	-	-	-	-	391,455
1,515	20,226	1,068	-	-	1,498,772
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>114,181</u>
1,515	20,226	1,068	-	15,000	2,004,408
1,515	-	-	480	-	1,276,351
-	-	-	-	-	27,388
-	-	-	-	-	-
-	-	-	-	-	45,227
-	-	-	-	-	188,348
-	-	-	-	-	156,465
-	-	-	-	-	260,110
-	-	-	-	-	-
-	-	-	-	-	70,061
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,515</u>	<u>-</u>	<u>-</u>	<u>480</u>	<u>-</u>	<u>2,023,950</u>
-	20,226	1,068	(480)	15,000	(19,542)
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>20,226</u>	<u>1,068</u>	<u>(480)</u>	<u>15,000</u>	<u>(19,542)</u>
<u>-</u>	<u>(20,226)</u>	<u>1,003</u>	<u>480</u>	<u>-</u>	<u>54,929</u>
<u>-</u>	<u>-</u>	<u>2,071</u>	<u>-</u>	<u>15,000</u>	<u>35,387</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (19,542)

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

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	-	
Depreciation expense	<u>(10,629)</u>	
Excess of capital outlay over depreciation expense		<u>(10,629)</u>
Change in net assets of governmental activities (Statement of Activities)		\$ <u><u>(30,171)</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	1,528,304	1,465,441	1,465,441	-
Other revenue	<u>6,000</u>	<u>6,811</u>	<u>6,810</u>	<u>(1)</u>
TOTAL REVENUES	<u>1,534,304</u>	<u>1,472,252</u>	<u>1,472,251</u>	<u>(1)</u>
EXPENDITURES:				
Instruction	1,022,770	971,018	900,793	70,225
Support services	575,530	616,579	597,536	19,043
Operation of non-instructional services	<u>32,199</u>	<u>16,199</u>	<u>8,853</u>	<u>7,346</u>
TOTAL EXPENDITURES	<u>1,630,499</u>	<u>1,603,796</u>	<u>1,507,182</u>	<u>96,614</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(96,195)	(131,544)	(34,931)	96,613
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>96,195</u>	<u>131,544</u>	<u>90,049</u>	<u>(41,495)</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>55,118</u>	<u>55,118</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (34,931)	
Adjustments to revenues			64,000	
Adjustments to expenditures			<u>(77,256)</u>	
NET CHANGE IN FUND BALANCE			\$ <u>(48,187)</u>	

* Ending fund balance as of June 30, 2010 is \$41,862

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	5,971	6,401	8,018	1,617
Other revenue	-	-	-	-
TOTAL REVENUES	5,971	6,401	8,018	1,617
EXPENDITURES:				
Instruction	5,971	6,401	6,401	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	5,971	6,401	6,401	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,617	1,617
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	430	430
CASH OR FUND BALANCE, END OF YEAR \$	-	-	2,047	2,047
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,617	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,617	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - FOOD SERVICES			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 40,000	40,000	34,452	(5,548)
State revenue	-	-	-	-
Other revenue	<u>24,000</u>	<u>24,000</u>	<u>22,233</u>	<u>(1,767)</u>
TOTAL REVENUES	<u>64,000</u>	<u>64,000</u>	<u>56,685</u>	<u>(7,315)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	<u>64,000</u>	<u>64,000</u>	<u>58,671</u>	<u>5,329</u>
TOTAL EXPENDITURES	<u>64,000</u>	<u>64,000</u>	<u>58,671</u>	<u>5,329</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,986)	(1,986)
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>4,516</u>	<u>4,516</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>2,530</u></u>	<u><u>2,530</u></u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (1,986)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(2,537)</u>	
NET CHANGE IN FUND BALANCE			\$ <u><u>(4,523)</u></u>	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 36,797	40,578	33,681	(6,897)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>36,797</u>	<u>40,578</u>	<u>33,681</u>	<u>(6,897)</u>
EXPENDITURES:				
Instruction	36,797	40,578	40,578	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>36,797</u>	<u>40,578</u>	<u>40,578</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,897)	(6,897)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(6,897)</u>	<u>(6,897)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,897)	
Adjustments to revenues			6,897	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	41,029	41,029	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	41,029	41,029	-
EXPENDITURES:				
Instruction	-	41,029	41,029	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	41,029	41,029	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			12,657	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ <u>12,657</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ENHANCING EDUCATION THRU TECHNOLOGY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 37,561	37,561	21,890	(15,671)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	37,561	37,561	21,890	(15,671)
EXPENDITURES:				
Instruction	37,561	37,561	37,561	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	37,561	37,561	37,561	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(15,671)	(15,671)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(15,671)	(15,671)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (15,671)	
Adjustments to revenues			15,671	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/ PRINCIPAL TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 9,547	9,547	8,960	(587)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	9,547	9,547	8,960	(587)
EXPENDITURES:				
Instruction	9,547	9,547	9,547	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	9,547	9,547	9,547	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(587)	(587)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(587)	(587)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (587)	
Adjustments to revenues			587	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SAFE & DRUG FREE SCHOOL & COMMUNITY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 836	836	-	(836)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	836	836	-	(836)
EXPENDITURES:				
Instruction	836	836	836	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	836	836	836	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(836)	(836)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(836)	(836)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (836)	
Adjustments to revenues			836	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 13,869	30,443	25,353	(5,090)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	13,869	30,443	25,353	(5,090)
EXPENDITURES:				
Instruction	13,869	30,443	30,443	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	13,869	30,443	30,443	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,090)	(5,090)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(5,090)	(5,090)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (5,090)	
Adjustments to revenues			5,090	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	42,561	31,786	(10,775)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	42,561	31,786	(10,775)
EXPENDITURES:				
Instruction	-	42,561	42,561	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	42,561	42,561	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(10,775)	(10,775)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(10,775)	(10,775)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (10,775)	
Adjustments to revenues			10,775	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - AMERICORPS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 15,000	15,000	-	(15,000)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	15,000	15,000	-	(15,000)
EXPENDITURES:				
Instruction	10,000	10,000	10,000	-
Support services	5,000	5,000	5,000	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	15,000	15,000	15,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(15,000)	(15,000)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(15,000)	(15,000)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (15,000)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (15,000)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUILIZATION GUARANTEE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 108,651	142,315	141,791	(524)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	108,651	142,315	141,791	(524)
EXPENDITURES:				
Instruction	108,651	142,315	141,791	524
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	108,651	142,315	141,791	524
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - WALTON FAMILY FOUNDATION			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	17,714	4,815	4,815	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	17,714	4,815	4,815	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,714)	(4,815)	(4,815)	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	4,815	4,815	4,815	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>(12,899)</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (4,815)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,815)</u>	

* Ending fund balance as of June 30, 2010 is \$0

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - NM ATTORNEY GERNERAL GRANT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	6,138	6,138
TOTAL REVENUES	-	-	6,138	6,138
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	6,138	6,138
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(6,138)	(6,138)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 6,138	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 6,138	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - NM COMMUNITY FOUNDATION			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(20,000)	(20,000)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(20,000)	(20,000)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

* Refer to Volume 1, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TQM IN PUBLIC SCHOOLS PED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	2,504	(2,504)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	2,504	(2,504)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,504)	(2,504)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(2,504)	(2,504)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (2,504)	
Adjustments to revenues			2,504	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARY FUNDS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,243	-	(3,243)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,243	-	(3,243)
EXPENDITURES:				
Instruction	-	3,243	3,243	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,243	3,243	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,243)	(3,243)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(3,243)	(3,243)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (3,243)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (3,243)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TECHNOLOGY FOR EDUCATION PED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	1,620	1,515	(105)
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,620	1,515	(105)
EXPENDITURES:				
Instruction	-	1,620	1,515	105
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,620	1,515	105
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING PROGRAM			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	1,068	1,068
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	1,068	1,068
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,068	1,068
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	1,003	1,003
CASH OR FUND BALANCE, END OF YEAR \$	-	-	2,071	2,071
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,068	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,068	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INCENTIVES FOR SCHOOL IMPR ACT PED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	20,226	20,226
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	20,226	20,226
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	20,226	20,226
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(20,226)	(20,226)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 20,226	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 20,226	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARY BOOK FUND TITLE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	480	-	(480)
Other revenue	-	-	-	-
TOTAL REVENUES	-	480	-	(480)
EXPENDITURES:				
Instruction	-	480	480	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	480	480	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(480)	(480)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	480	480
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (480)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (480)	

* Ending fund balance as of June 30, 2010 is \$0

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - McCUNE CHARITABLE FOUNDATION			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	15,000	15,000
TOTAL REVENUES	-	-	15,000	15,000
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	15,000	15,000
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	15,000	15,000
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 15,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 15,000	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>161</u>
TOTAL ASSETS	\$ <u><u>161</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>161</u>
TOTAL LIABILITIES	\$ <u><u>161</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>51,396</u>	<u>20,377</u>
Wells Fargo Bank - Checking (Agency)	\$ <u>161</u>	<u>161</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 81,328
ADD:	
2009-2010 revenues	2,004,408
Payables and other	5,198
Loans from other funds	<u>87,619</u>
TOTAL CASH AVAILABLE	2,178,553
LESS:	
2009-2010 expenditures	2,023,950
Receivables and other	46,607
Loan to other funds	<u>87,619</u>
CASH, June 30, 2010	<u>\$ 20,377</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL
Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010	Student Activity Fund
Assets, July 1, 2009	\$ -
Increase	5,877
Decrease	<u>5,716</u>
Assets, June 30, 2010	\$ <u>161</u>
Liabilities, July 1, 2009	\$ -
Increase	5,877
Decrease	<u>5,716</u>
Liabilities, June 30, 2010	\$ <u>161</u>

THE ASK ACADEMY

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 26,660
Due from other governments	39,880
Prepaid expenses	-
Other assets	-
TOTAL CURRENT ASSETS	66,540
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	-
TOTAL NON-CURRENT ASSETS	-
TOTAL ASSETS	\$ <u>66,540</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 53,615
Accrued payroll	3,493
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	57,108
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	57,108
NET ASSETS:	
Invested in capital assets	-
Restricted	3,407
Unrestricted	6,025
TOTAL NET ASSETS	9,432
TOTAL LIABILITIES AND NET ASSETS	\$ <u>66,540</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,260	-	155,732	-	154,472
Support services:					
Students	980	-	-	-	(980)
Instruction	-	-	-	-	-
General administration	2,930	-	-	-	(2,930)
School administration	23,333	-	-	-	(23,333)
Central Services	97,635	-	-	-	(97,635)
Operation and maintenance of plant	20,162	-	-	-	(20,162)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>146,300</u>	<u>-</u>	<u>155,732</u>	<u>-</u>	9,432
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					-
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>-</u>
CHANGE IN NET ASSETS					9,432
NET ASSETS, BEGINNING OF YEAR					<u>-</u>
NET ASSETS, END OF YEAR					\$ <u>9,432</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	CS - Charter School (Federal Grant)	CS - Charter School (State Grant)	Total Primary Government
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 23,253	3,407	26,660
Due from other governments	39,880	-	39,880
Due from other funds	-	-	-
Prepaid expenses	-	-	-
Other assets	-	-	-
TOTAL ASSETS	\$ 63,133	3,407	66,540
LIABILITIES AND FUND BALANCES:			
CURRENT LIABILITIES:			
Accounts payable	\$ 53,615	-	53,615
Accrued payroll	3,493	-	3,493
Due to other funds	-	-	-
Deferred revenue	-	-	-
TOTAL LIABILITIES	57,108	-	57,108
FUND BALANCES:			
Reserved	-	3,407	3,407
Unreserved	6,025	-	6,025
TOTAL FUND BALANCES (DEFICIT)	6,025	3,407	9,432
TOTAL LIABILITIES AND FUND BALANCES	\$ 63,133	3,407	66,540

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>9,432</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>9,432</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Charter School (Federal Grant)	CS - Charter School (State Grant)	Total Primary Government
REVENUES:			
Federal revenue	\$ 152,325	-	152,325
State revenue	-	3,407	3,407
Other revenue	-	-	-
TOTAL REVENUES	<u>152,325</u>	<u>3,407</u>	<u>155,732</u>
EXPENDITURES:			
Current:			
Instruction	1,260	-	1,260
Support services:			
Students	980	-	980
Instruction	-	-	-
General administration	2,930	-	2,930
School administration	23,333	-	23,333
Central Services	97,635	-	97,635
Operation and maintenance of plant	20,162	-	20,162
Student transportation	-	-	-
Other support services	-	-	-
Operation of non-instructional services:			
Food services operations	-	-	-
Community services operations	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	<u>146,300</u>	<u>-</u>	<u>146,300</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,025	3,407	9,432
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Other financing sources	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	<u>6,025</u>	<u>3,407</u>	<u>9,432</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>6,025</u>	<u>3,407</u>	<u>9,432</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>9,432</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u><u>9,432</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (FEDERAL GRANT)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	432,000	112,445	(319,555)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	432,000	112,445	(319,555)
EXPENDITURES:				
Instruction	-	261,023	1,260	259,763
Support services	-	170,977	145,040	25,937
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	432,000	146,300	285,700
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(33,855)	(33,855)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(33,855)	(33,855)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (33,855)	
Adjustments to revenues			39,880	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ <u>6,025</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (STATE GRANT)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,407	-	3,407
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,407	3,407
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	3,407	3,407
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 3,407	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>2,100</u>
TOTAL ASSETS	\$ <u><u>2,100</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>2,100</u>
TOTAL LIABILITIES	\$ <u><u>2,100</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking (Operations)	\$ <u>27,107</u>	<u>26,660</u>
Wells Fargo Bank - Checking (Agency)	\$ <u>2,100</u>	<u>2,100</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE ASK ACADEMY

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	-
ADD:	
2009-2010 revenues	155,732
Payables and other	57,108
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	212,840
LESS:	
2009-2010 expenditures	146,300
Receivables and other	39,880
Loan to other funds	<u>-</u>
CASH, June 30, 2010	<u><u>26,660</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 THE ASK ACADEMY
 Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010	Student Activity Fund
	<u> </u>
Assets, July 1, 2009	\$ -
Increase	2,100
Decrease	<u> </u> -
Assets, June 30, 2010	\$ <u> </u> 2,100
Liabilities, July 1, 2009	\$ -
Increase	2,100
Decrease	<u> </u> -
Liabilities, June 30, 2010	\$ <u> </u> 2,100

CESAR CHAVEZ COMMUNITY SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 195,748
Due from other governments	19,520
Prepaid expenses	-
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	215,268
NON-CURRENT ASSETS:	
Capital assets	146,231
Less accumulated depreciation	<u>(76,910)</u>
TOTAL NON-CURRENT ASSETS	<u>69,321</u>
TOTAL ASSETS	\$ <u>284,589</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	-
Accrued payroll	6,952
Due to other funds	727
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	7,679
NON-CURRENT LIABILITIES:	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	7,679
NET ASSETS:	
Invested in capital assets	69,321
Restricted	5,670
Unrestricted	<u>201,919</u>
TOTAL NET ASSETS	<u>276,910</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>284,589</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,084,642	-	435,071	-	(649,571)
Support services:					
Students	315,346	-	-	-	(315,346)
Instruction	210,521	-	-	-	(210,521)
General administration	18,241	-	-	-	(18,241)
School administration	152,259	-	-	-	(152,259)
Central Services	64,159	-	-	-	(64,159)
Operation and maintenance of plant	331,745	-	108,707	-	(223,038)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	13,081	-	-	-	(13,081)
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,189,994	-	543,778	-	(1,646,216)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,485,561
Miscellaneous					152,157
Gain (Loss) on disposal of capital assets					(8,454)
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					1,629,264
CHANGE IN NET ASSETS					(16,952)
NET ASSETS, BEGINNING OF YEAR					293,862
NET ASSETS, END OF YEAR					\$ 276,910

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Materials</u>	<u>CS - Food Service</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 188,451	3,850	368	293	-
Due from other governments	-	-	-	-	-
Due from other funds	18,888	432	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>207,339</u>	<u>4,282</u>	<u>368</u>	<u>293</u>	<u>-</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	-
Accrued payroll	4,893	-	-	293	-
Due to other funds	527	-	-	-	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	5,420	-	-	293	-
FUND BALANCES:					
Reserved	-	4,282	368	-	-
Unreserved	<u>201,919</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>201,919</u>	<u>4,282</u>	<u>368</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>207,339</u>	<u>4,282</u>	<u>368</u>	<u>293</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Balance Sheet - Governmental Funds

CS - ID - B "RISK POOL"	CS - Charter Schools	CS - Teacher & Principal Training	CS - Safe & Drug Free	CS - T - I School Improvement	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus
-	-	-	-	3	-	-
-	-	-	-	-	-	10,482
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>10,482</u>
-	-	-	-	-	-	-
-	-	-	-	3	-	-
-	-	-	-	-	-	10,482
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>10,482</u>

AS OF JUNE 30, 2010

	<u>CS - Grads Childcare</u>	<u>CS - Temporary Assistance To Needy Families</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - 2009 Dual Credit Instruction</u>	<u>CS - 2008 Student Library Fund</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ -	504	1,763	-	-
Due from other governments	-	-	-	-	3,229
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ -	504	1,763	-	3,229
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	-
Accrued payroll	-	-	1,763	-	-
Due to other funds	-	-	-	-	3,229
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	1,763	-	3,229
FUND BALANCES:					
Reserved	-	504	-	-	-
Unreserved	-	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	-	504	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	504	1,763	-	3,229

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Balance Sheet - Governmental Funds - continued

<u>CS - Tech Ed</u>	<u>CS - Library</u>	<u>CS - Beginning Teacher Mentoring Program</u>	<u>CS - School in Need of Improvement</u>	<u>CS - Libraries SB 301</u>	<u>CS - City/County Grants</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
63	-	-	-	453	-	-	195,748
-	-	-	-	1,960	3,849	-	19,520
-	-	-	-	-	-	-	19,320
-	-	-	-	-	-	-	-
<u>63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,413</u>	<u>3,849</u>	<u>-</u>	<u>234,588</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,952
-	-	-	-	1,960	3,849	-	20,047
-	-	-	-	-	-	-	-
-	-	-	-	1,960	3,849	-	26,999
63	-	-	-	453	-	-	5,670
-	-	-	-	-	-	-	<u>201,919</u>
<u>63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>453</u>	<u>-</u>	<u>-</u>	<u>207,589</u>
-	-	-	-	-	-	-	-
<u>63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,413</u>	<u>3,849</u>	<u>-</u>	<u>234,588</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 207,589
------------------------------------------------------------------------------	------------

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	146,231
Accumulated depreciation	<u>(76,910)</u>
Total capital assets	<u>69,321</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>276,910</u></u>

YEAR ENDED JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Materials</u>	<u>CS - Food Service</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
REVENUES:					
Federal revenue	\$ -	-	13,426	68,930	33,752
State revenue	1,485,561	6,255	-	-	-
Other revenue	<u>145,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	1,631,218	6,255	13,426	68,930	33,752
EXPENDITURES:					
Current:					
Instruction	764,851	33,659	-	68,513	33,752
Support services:					
Students	191,840	-	-	417	-
Instruction	202,332	-	-	-	-
General administration	18,241	-	-	-	-
School administration	152,259	-	-	-	-
Central Services	60,304	-	-	-	-
Operation and maintenance of plant	200,525	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	13,081	-	-
Community services operations	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,590,352</u>	<u>33,659</u>	<u>13,081</u>	<u>68,930</u>	<u>33,752</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	40,866	(27,404)	345	-	-
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>40,866</u>	<u>(27,404)</u>	<u>345</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>161,053</u>	<u>31,686</u>	<u>23</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>201,919</u>	<u>4,282</u>	<u>368</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

CS - ID - B "RISK POOL"	CS - Charter Schools	CS - Teacher & Principal Training	CS - Safe & Drug Free	CS - T - I School Improvement	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - Grads Childcare
365	-	8,428	462	39,631	64,469	35,809	3,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
365	-	8,428	462	39,631	64,469	35,809	3,000
365	-	8,428	-	12,000	64,469	35,809	-
-	-	-	462	23,631	-	-	-
-	-	-	-	-	-	-	3,000
-	-	-	-	-	-	-	-
-	-	-	-	4,000	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
365	-	8,428	462	39,631	64,469	35,809	3,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
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-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-						

YEAR ENDED JUNE 30, 2010

	CS - Temporary Assistance To Needy Families	CS - State Equalization Guarantee	CS - 2009 Dual Credit Instruction	CS - 2008 Student Library Fund
REVENUES:				
Federal revenue	\$ 8,000	143,738	-	-
State revenue	-	-	866	3,229
Other revenue	-	-	-	-
TOTAL REVENUES	8,000	143,738	866	3,229
EXPENDITURES:				
Current:				
Instruction	8,000	51,242	866	-
Support services:				
Students	-	92,496	-	-
Instruction	-	-	-	3,229
General administration	-	-	-	-
School administration	-	-	-	-
Central Services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	8,000	143,738	866	3,229
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	504	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ 504	-	-	-

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

CS - Tech Ed	CS - Library	CS - Beginning Teacher Mentoring Program	CS - School in Need of Improvement	CS - Libraries SB 301	CS - City/County Grants	CS - Public School Capital Outlay	Total Primary Government
-	-	-	-	-	-	-	420,010
1,683	-	1,068	-	1,960	-	108,707	1,609,329
-	-	-	-	-	6,500	-	152,157
1,683	-	1,068	-	1,960	6,500	108,707	2,181,496
1,620	-	1,068	-	-	-	-	1,084,642
-	-	-	-	-	6,500	-	315,346
-	-	-	-	1,960	-	-	210,521
-	-	-	-	-	-	-	18,241
-	-	-	-	-	-	-	152,259
-	-	-	-	-	-	-	60,304
-	-	-	-	-	-	108,707	313,232
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	13,081
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,620	-	1,068	-	1,960	6,500	108,707	2,167,626
63	-	-	-	-	-	-	13,870
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
63	-	-	-	-	-	-	13,870
-	-	-	-	453	-	-	193,719
63	-	-	-	453	-	-	207,589

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ 13,870

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

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	-
Depreciation expense	<u>(22,368)</u>

Excess of capital outlay over depreciation expense	<u>(22,368)</u>
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The Statement of Activities reports the loss on the disposal of equipment, while the Statement of Revenues, Expenditures and Changes in Fund Balance reports the proceeds. The reconciling amount is the difference.

	<u>(8,454)</u>
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Change in net assets of governmental activities (Statement of Activities)	<u>\$ (16,952)</u>
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STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	1,539,058	1,481,464	1,485,561	4,097
Other revenue	<u>103,000</u>	<u>103,000</u>	<u>145,657</u>	<u>42,657</u>
TOTAL REVENUES	<u>1,642,058</u>	<u>1,584,464</u>	<u>1,631,218</u>	<u>46,754</u>
EXPENDITURES:				
Instruction	866,103	848,512	764,851	83,661
Support services	892,527	873,306	833,333	39,973
Operation of non-instructional services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,758,630</u>	<u>1,721,818</u>	<u>1,598,184</u>	<u>123,634</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(116,572)	(137,354)	33,034	170,388
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>116,572</u>	<u>137,354</u>	<u>161,053</u>	<u>23,699</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>194,087</u>	<u>194,087</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 33,034	
Adjustments to revenues			-	
Adjustments to expenditures			<u>7,832</u>	
NET CHANGE IN FUND BALANCE			\$ <u>40,866</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - MATERIALS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	5,631	5,631	6,255	624
Other revenue	-	-	-	-
TOTAL REVENUES	5,631	5,631	6,255	624
EXPENDITURES:				
Instruction	5,631	37,317	33,659	3,658
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	5,631	37,317	33,659	3,658
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(31,686)	(27,404)	4,282
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	31,686	31,686	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	4,282	4,282
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (27,404)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (27,404)	

* Ending fund balance as of June 30, 2010 is \$4,282

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - FOOD SERVICE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	13,426	13,426
State revenue	36,000	36,000	-	(36,000)
Other revenue	5,000	5,000	-	(5,000)
TOTAL REVENUES	41,000	41,000	13,426	(27,574)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	41,000	41,000	13,081	27,919
TOTAL EXPENDITURES	41,000	41,000	13,081	27,919
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	345	345
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	23	23
CASH OR FUND BALANCE, END OF YEAR \$	-	-	368	368
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 345	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 345	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 59,349	72,664	68,930	(3,734)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	59,349	72,664	68,930	(3,734)
EXPENDITURES:				
Instruction	59,349	70,664	68,513	2,151
Support services	-	2,000	417	1,583
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	59,349	72,664	68,930	3,734
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 33,946	33,752	33,752	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	33,946	33,752	33,752	-
EXPENDITURES:				
Instruction	33,946	33,752	33,752	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	33,946	33,752	33,752	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B "RISK POOL"			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	365	365	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	365	365	-
EXPENDITURES:				
Instruction	-	365	365	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	365	365	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER & PRINCIPAL TRAINING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 7,991	9,184	8,428	(756)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	7,991	9,184	8,428	(756)
EXPENDITURES:				
Instruction	7,991	9,184	8,428	756
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	7,991	9,184	8,428	756
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SAFE & DRUG FREE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 630	630	462	(168)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>630</u>	<u>630</u>	<u>462</u>	<u>(168)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services	630	630	462	168
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>630</u>	<u>630</u>	<u>462</u>	<u>168</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I SCHOOL IMPROVEMENT			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	40,000	39,631	(369)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	40,000	39,631	(369)
EXPENDITURES:				
Instruction	-	12,000	12,000	-
Support services	-	28,000	27,631	369
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	40,000	39,631	369
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 26,454	64,469	64,469	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>26,454</u>	<u>64,469</u>	<u>64,469</u>	-
EXPENDITURES:				
Instruction	26,454	64,469	64,469	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>26,454</u>	<u>64,469</u>	<u>64,469</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 37,762	37,753	35,809	(1,944)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>37,762</u>	<u>37,753</u>	<u>35,809</u>	<u>(1,944)</u>
EXPENDITURES:				
Instruction	37,762	37,753	35,809	1,944
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>37,762</u>	<u>37,753</u>	<u>35,809</u>	<u>1,944</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - GRADS CHILDCARE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	3,500	3,000	(500)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,500	3,000	(500)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,500	3,000	500
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,500	3,000	500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEMPORARY ASSISTANCE TO NEEDY FAMILIES			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	8,000	8,000	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	8,000	8,000	-
EXPENDITURES:				
Instruction	-	8,000	8,000	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	8,000	8,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	504	504
CASH OR FUND BALANCE, END OF YEAR \$	-	-	504	504
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 106,925	143,738	143,738	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	106,925	143,738	143,738	-
EXPENDITURES:				
Instruction	-	51,242	51,242	-
Support services	106,925	92,496	92,496	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	106,925	143,738	143,738	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - 2009 DUAL CREDIT INSTRUCTION			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	1,000	866	(134)
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,000	866	(134)
EXPENDITURES:				
Instruction	-	1,000	866	134
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,000	866	134
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - 2008 STUDENT LIBRARY FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	3,229	3,229	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,229	3,229	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,229	3,229	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,229	3,229	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TECH ED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue		1,620	1,683	63
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,620	1,683	63
EXPENDITURES:				
Instruction	-	1,620	1,620	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,620	1,620	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	63	63
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	63	63
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 63	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 63	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING PROGRAM			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	1,068	1,068	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,068	1,068	-
EXPENDITURES:				
Instruction	-	1,068	1,068	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,068	1,068	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SCHOOLS IN NEED OF IMPROVEMENT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARIES SB 301			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,212	2,413	(799)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,212	2,413	(799)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,212	1,960	1,252
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,212	1,960	1,252
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	453	453
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	453	453
CASH OR FUND BALANCE, END OF YEAR \$	-	-	906	906
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 453	
Adjustments to revenues			(453)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - City/County Grants			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	6,500	6,500	-
TOTAL REVENUES	-	6,500	6,500	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	6,500	6,500	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	6,500	6,500	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 6,500	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 6,500	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$			
State revenue	-	108,707	108,707	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	108,707	108,707	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	108,707	108,707	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	108,707	108,707	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ 5,097
Due from other funds	<u>727</u>
TOTAL ASSETS	\$ <u>5,824</u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>5,824</u>
TOTAL LIABILITIES	\$ <u>5,824</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ 247,140	195,698
Plus Operational Fund - Cash on Hand	-	50
	\$ <u>247,140</u>	<u>195,748</u>
Wells Fargo Bank - Activity Fund Checking (Agency)	\$ <u>5,157</u>	<u>5,097</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 225,377
ADD:	-
2009-2010 revenues	2,181,496
Payables and other	(46,233)
Loans from other funds	<u>19,320</u>
TOTAL CASH AVAILABLE	2,379,960
LESS:	
2009-2010 expenditures	2,167,626
Receivables and other	(3,461)
Loan to other funds	<u>20,047</u>
CASH, June 30, 2010	\$ <u><u>195,748</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL
Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010	Student Activity Fund
Assets, July 1, 2009	\$ 5,232
Increase	3,601
Decrease	<u>(3,009)</u>
Assets, June 30, 2010	\$ <u>5,824</u>
Liabilities, July 1, 2009	\$ 5,232
Increase	3,601
Decrease	<u>(3,009)</u>
Liabilities, June 30, 2010	\$ <u>5,824</u>

CIEN AGUAS INTERNATIONAL SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental</u>	<u>Component</u>
ASSETS:	Activities	Unit
CURRENT ASSETS:		
Cash and cash equivalents	\$ 257,236	1,921
Due from other governments	45,792	-
Prepaid expenses	4,820	-
Other assets	<u>-</u>	<u>-</u>
TOTAL CURRENT ASSETS	307,848	1,921
NON-CURRENT ASSETS:		
Capital assets	60,807	-
Less accumulated depreciation	<u>(7,943)</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>52,864</u>	<u>-</u>
TOTAL ASSETS	\$ <u>360,712</u>	<u>1,921</u>
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ 41,243	-
Accrued payroll	22,428	-
Due to other funds	-	-
Compensated absences - due within one year	-	-
Other current liabilities - due within one year	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	63,671	-
NON-CURRENT LIABILITIES		
Other non-current liabilities - due in more than one year	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	\$ 63,671	-
NET ASSETS:		
Invested in capital assets	52,864	-
Restricted	125,243	-
Unrestricted	<u>118,934</u>	<u>1,921</u>
TOTAL NET ASSETS	<u>297,041</u>	<u>1,921</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>360,712</u>	<u>1,921</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets	Component Unit
GOVERNMENTAL ACTIVITIES:						
Instruction	\$ 917,578	-	222,107	-	(695,471)	-
Support services:						
Students	113,499	-	-	-	(113,499)	-
Instruction	3,550	-	-	-	(3,550)	-
General administration	31,960	-	-	-	(31,960)	(33)
School administration	251,526	-	-	-	(251,526)	-
Central Services	28,787	-	-	-	(28,787)	-
Operation and maintenance of plant	171,993	-	77,544	-	(94,449)	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Operation of non-instructional services:						
Food services operations	-	-	-	-	-	-
Community services operations	-	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,518,893	-	299,651	-	(1,219,242)	(33)
GENERAL REVENUES AND TRANSFERS:						
State equalization guarantee					856,459	-
Miscellaneous					275,251	1,954
Gain (Loss) on disposal of capital assets					-	-
Transfers in					-	-
Transfers out					-	-
TOTAL GENERAL REVENUES AND TRANSFERS					1,131,710	1,954
CHANGE IN NET ASSETS					(87,532)	1,921
NET ASSETS, BEGINNING OF YEAR					384,573	-
NET ASSETS, END OF YEAR					\$ 297,041	1,921

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 125,473	12,077	-	-
Due from other governments	-	-	5,760	10,585
Due from other funds	38,684	-	-	-
Prepaid expenses	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	\$ <u>164,157</u>	<u>12,077</u>	<u>5,760</u>	<u>10,585</u>
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ 28,286	-	906	-
Accrued payroll	16,937	-	661	-
Due to other funds	-	-	4,193	10,585
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	45,223	-	5,760	10,585
FUND BALANCES:				
Reserved	-	12,077	-	-
Unreserved	<u>118,934</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>118,934</u>	<u>12,077</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>164,157</u>	<u>12,077</u>	<u>5,760</u>	<u>10,585</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Balance Sheet - Governmental Funds

CS - ID - B "Risk Pool"	CS - Charter Schools	CS - Teacher/Principal Training & Recruiting	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - Daniels Fund
-	4,443	-	-	-	-	-
-	2,697	4,518	7,915	14,317	-	-
-	-	-	-	-	-	-
-	2,070	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>9,210</u>	<u>4,518</u>	<u>7,915</u>	<u>14,317</u>	-	-
-	-	-	1,644	-	-	-
-	-	-	1,200	-	-	-
-	-	4,518	5,071	14,317	-	-
-	-	-	-	-	-	-
-	-	4,518	7,915	14,317	-	-
-	9,210	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>9,210</u>	-	-	-	-	-
-	<u>9,210</u>	<u>4,518</u>	<u>7,915</u>	<u>14,317</u>	-	-

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	CS - Walton Fund	CS - Charter School Planning	CS - Public School Capital Outlay	Total Primary Government
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 115,243	-	-	257,236
Due from other governments	-	-	-	45,792
Due from other funds	-	-	-	38,684
Prepaid expenses	2,750	-	-	4,820
Other assets	-	-	-	-
TOTAL ASSETS	\$ 117,993	-	-	346,532
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	10,407	-	-	41,243
Accrued payroll	3,630	-	-	22,428
Due to other funds	-	-	-	38,684
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	14,037	-	-	102,355
FUND BALANCES:				
Reserved	103,956	-	-	125,243
Unreserved	-	-	-	118,934
TOTAL FUND BALANCES (DEFICIT)	103,956	-	-	244,177
TOTAL LIABILITIES AND FUND BALANCES	\$ 117,993	-	-	346,532

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 244,177

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

Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the funds. These assets consist of:

Capital assets	60,807
Accumulated depreciation	<u>(7,943)</u>
Total capital assets	<u>52,864</u>

Net assets of governmental activities (Statement of Net Assets) \$ 297,041

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - T - I	CS - ID - B
REVENUES:				
Federal revenue	\$ -	-	17,328	14,024
State revenue	856,459	28,472	-	-
Other revenue	<u>23,664</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	880,123	28,472	17,328	14,024
EXPENDITURES:				
Current:				
Instruction	473,801	16,395	17,328	4,660
Support services:				
Students	66,499	-	-	9,364
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	123,436	-	-	-
Central Services	20,420	-	-	-
Operation and maintenance of plant	34,385	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	<u>38,509</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>757,050</u>	<u>16,395</u>	<u>17,328</u>	<u>14,024</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	123,073	12,077	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>123,073</u>	<u>12,077</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>(4,139)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>118,934</u>	<u>12,077</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

CS - ID - B "Risk Pool"	CS - Charter Schools	CS - Teacher/Principal Training & Recruiting	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - Daniels Fund
343	6,433	4,518	16,933	34,707	82,868	-
-	-	-	-	-	-	-
-	<u>1,500</u>	-	-	-	-	-
343	7,933	4,518	16,933	34,707	82,868	-
-	240,803	4,518	16,933	32,161	7,000	-
343	22,000	-	-	2,546	-	-
-	-	-	-	-	-	-
-	-	-	-	-	16,699	2,281
-	97,284	-	-	-	1,410	1,260
-	-	-	-	-	-	-
-	-	-	-	-	57,759	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>343</u>	<u>360,087</u>	<u>4,518</u>	<u>16,933</u>	<u>34,707</u>	<u>82,868</u>	<u>3,541</u>
-	(352,154)	-	-	-	-	(3,541)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>343</u>	<u>361,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,541</u>
<u>-</u>	<u>9,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Walton Fund	CS - Charter School Planning	CS - Public School Capital Outlay	Total Primary Government
REVENUES:				
Federal revenue	-	-	-	177,154
State revenue	-	16,481	77,544	978,956
Other revenue	\$ 250,087	-	-	275,251
TOTAL REVENUES	250,087	16,481	77,544	1,431,361
EXPENDITURES:				
Current:				
Instruction	100,979	3,000	-	917,578
Support services:				
Students	12,747	-	-	113,499
Instruction	3,550	-	-	3,550
General administration	12,104	876	-	31,960
School administration	16,761	11,375	-	251,526
Central Services	-	3,000	-	23,420
Operation and maintenance of plant	-	-	77,544	169,688
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	38,509
TOTAL EXPENDITURES	146,141	18,251	77,544	1,549,730
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	103,946	(1,770)	-	(118,369)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	103,946	(1,770)	-	(118,369)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	10	1,770	-	362,546
FUND BALANCES (DEFICIT), END OF YEAR	\$ 103,956	-	-	244,177

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	825,631	856,459	856,459	-
Other revenue	-	-	23,664	23,664
TOTAL REVENUES	825,631	856,459	880,123	23,664
EXPENDITURES:				
Instruction	544,037	544,037	471,959	72,078
Support services	281,594	312,422	285,388	27,034
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	825,631	856,459	757,347	99,112
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	122,776	122,776
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(4,139)	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	118,637	122,776
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 122,776	
Adjustments to revenues			-	
Adjustments to expenditures			297	
NET CHANGE IN FUND BALANCE			\$ 123,073	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	15,116	13,356	28,472	15,116
Other revenue	-	-	-	-
TOTAL REVENUES	15,116	13,356	28,472	15,116
EXPENDITURES:				
Instruction	15,116	28,472	16,395	12,077
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	15,116	28,472	16,395	12,077
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(15,116)	12,077	27,193
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	(15,116)	12,077	27,193
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 12,077	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 12,077	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	17,423	11,568	(5,855)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	17,423	11,568	(5,855)
EXPENDITURES:				
Instruction	-	17,423	17,328	95
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	17,423	17,328	95
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,760)	(5,760)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(5,760)	(5,760)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(5,760)	
Adjustments to revenues			5,760	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			-	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	20,469	3,439	(17,030)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	20,469	3,439	(17,030)
EXPENDITURES:				
Instruction	-	10,774	4,660	6,114
Support services	-	9,695	9,364	331
Operation of non-instructional services:	-	-	-	-
TOTAL EXPENDITURES	-	20,469	14,024	6,445
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(10,585)	(10,585)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(10,585)	(10,585)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (10,585)	
Adjustments to revenues			10,585	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B "RISK POOL"			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	343	343	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	343	343	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	343	343	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	343	343	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	356,851	242,970	(113,881)
State revenue	-	-	-	-
Other revenue	-	-	1,500	1,500
TOTAL REVENUES	-	356,851	244,470	(112,381)
EXPENDITURES:				
Instruction	-	241,851	240,803	1,048
Support services	-	115,000	113,105	1,895
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	356,851	353,908	2,943
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(109,438)	(109,438)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	361,364	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	251,926	(109,438)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (109,438)	
Adjustments to revenues			(236,537)	
Adjustments to expenditures			(6,179)	
NET CHANGE IN FUND BALANCE			\$ (352,154)	

* Ending fund balance as of June 30, 2010 is \$9,210

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/PRINCIPAL TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	4,518	-	(4,518)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	4,518	-	(4,518)
EXPENDITURES:				
Instruction	-	4,518	4,518	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	4,518	4,518	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(4,518)	(4,518)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(4,518)	(4,518)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(4,518)	
Adjustments to revenues			4,518	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			-	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	17,104	9,018	(8,086)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	17,104	9,018	(8,086)
EXPENDITURES:				
Instruction	-	17,104	16,933	171
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	17,104	16,933	171
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(7,915)	(7,915)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(7,915)	(7,915)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (7,915)	
Adjustments to revenues			7,915	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	35,391	20,390	(15,001)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	35,391	20,390	(15,001)
EXPENDITURES:				
Instruction	-	32,351	32,161	190
Support services	-	3,040	2,546	494
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	35,391	34,707	684
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(14,317)	(14,317)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(14,317)	(14,317)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (14,317)	
Adjustments to revenues			14,317	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 59,895	82,869	82,868	(1)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	59,895	82,869	82,868	(1)
EXPENDITURES:				
Instruction	-	7,000	7,000	-
Support services	59,895	75,869	75,868	1
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	59,895	82,869	82,868	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - DANIELS FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	2,281	2,281	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	2,281	2,281	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(2,281)	(2,281)	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	2,281	3,541	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	1,260	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(2,281)	
Adjustments to revenues			-	
Adjustments to expenditures			(1,260)	
NET CHANGE IN FUND BALANCE			(3,541)	

* Ending fund balance as of June 30, 2010 is \$0

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - WALTON FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	250,000	250,087	87
TOTAL REVENUES	-	250,000	250,087	87
EXPENDITURES:				
Instruction	-	192,000	98,262	93,738
Support services	-	58,000	44,362	13,638
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	250,000	142,624	107,376
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	107,463	107,463
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	10	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	107,473	107,463
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 107,463	
Adjustments to revenues			-	
Adjustments to expenditures			(3,517)	
NET CHANGE IN FUND BALANCE			\$ 103,946	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL PLANNING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	18,295	16,481	(1,814)
Other revenue	-	-	-	-
TOTAL REVENUES	-	18,295	16,481	(1,814)
EXPENDITURES:				
Instruction	-	3,000	3,000	-
Support services	-	15,295	15,251	44
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	18,295	18,251	44
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,770)	(1,770)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	1,770	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	(1,770)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(1,770)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			(1,770)	

* Ending fund balance as of June 30, 2010 is \$0

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	98,628	77,544	(21,084)
Other revenue	-	-	-	-
TOTAL REVENUES	-	98,628	77,544	(21,084)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	98,628	77,544	21,084
TOTAL EXPENDITURES	-	98,628	77,544	21,084
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
First Community Bank -Checking	\$ <u>283,280</u>	<u>257,236</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL

Cash Reconciliation

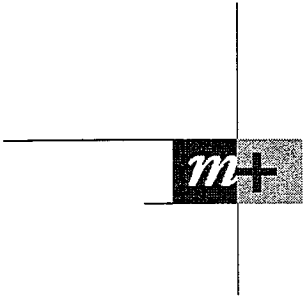
AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 117,942
ADD:	
2009-2010 revenues	1,431,361
Payables and other	63,862
Loans from other funds	<u>38,684</u>
TOTAL CASH AVAILABLE	1,651,849
LESS:	
2009-2010 expenditures	1,549,730
Receivables and other	(193,801)
Loan to other funds	<u>38,684</u>
CASH, June 30, 2010	\$ <u><u>257,236</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION
DEPARTMENT
Financial Statements for the
Year Ended June 30, 2010,
and Independent
Auditors' Report
Volume IV of V

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV



New Mexico State Authorized Chartered Schools Supplementary Information:
Notes and Findings IV-2

Charter Schools Financial Statements:

Cottonwood Classical Preparatory School:
Statement of Net Assets IV-4
Statement of Activities..... IV-5
Balance Sheet – Governmental FundsIV-6 – IV-8
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets..... IV-9
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds IV-10 – IV-12
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities..... IV-13
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget (Budgetary Basis) and Actual..... IV-14 – IV-27
Schedule of Cash and Temporary Investment Accounts IV-28
Cash Reconciliation..... IV-29

Creative Education Preparatory Institute #1:
Statement of Net Assets IV-31
Statement of Activities..... IV-32
Balance Sheet – Governmental Funds IV-33 – IV-34
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets..... IV-35
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds IV-36 – IV-37
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities..... IV-38
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget (Budgetary Basis) and Actual..... IV-39 – IV-49
Statement of Fiduciary Assets and Liabilities – Agency Fund..... IV-50
Schedule of Cash and Temporary Investment Accounts IV-51
Cash Reconciliation..... IV-52
Schedule of Changes in Assets and Liabilities – Agency Fund IV-53

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

Gilbert L. Sena Charter High School:

Statement of Net Assets	IV-55
Statement of Activities.....	IV-56
Balance Sheet – Governmental Funds	IV-57 – II-58
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-59
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-60 – II-61
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	IV-62
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	IV-63 – IV-71
Schedule of Fiduciary Assets and Liabilities – Agency Funds	IV-72
Schedule of Cash and Temporary Investment Accounts	IV-73
Cash Reconciliation.....	IV-74
Schedule of Changes in Assets and Liabilities – Agency Funds.....	IV-75

Horizon Academy West:

Statement of Net Assets	IV-77
Statement of Activities.....	IV-78
Balance Sheet – Governmental Funds	IV-79 – IV-81
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-82
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-83 – IV-85
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	IV-86
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	IV-87 – IV-105
Statement of Fiduciary Assets and Liabilities – Agency Funds	IV-106
Schedule of Cash and Temporary Investment Accounts	IV-107
Cash Reconciliation.....	IV-108
Combining Statement of Assets and Liabilities – Agency Funds.....	IV-109 – IV-110
Schedule of Changes in Assets and Liabilities – Agency Funds.....	IV-111 – IV-112

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

The International School at Mesa Del Sol:

Statement of Net Assets	IV-114
Statement of Activities.....	IV-115
Balance Sheet – Governmental Funds	IV-116 – IV-117
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-118
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-119 – IV-120
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	IV-121
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	IV-122 – IV-134
Schedule of Cash and Temporary Investment Accounts	IV-135
Cash Reconciliation.....	IV-136

The MASTERS Program:

Statement of Net Assets	IV-138
Statement of Activities.....	IV-139
Balance Sheet – Governmental Funds	IV-140
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-141
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	IV-142
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	IV-143
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	IV-144 – IV-145
Schedule of Cash and Temporary Investment Accounts	IV-146
Cash Reconciliation.....	IV-147

Media Arts Collaborative Charter School:

Statement of Net Assets	IV-149
Statement of Activities.....	IV-150
Balance Sheet – Governmental Funds	IV-151 – IV-153
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	IV-154

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume IV - continued

Charter Schools Financial Statements - continued:

Media Arts Collaborative Charter School - continued:

Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds IV-155 – IV-157

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities..... IV-158

Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget (Budgetary Basis) and Actual..... IV-159 – IV-173

Schedule of Cash and Temporary Investment Accounts IV-174

Cash Reconciliation..... IV-175

**NEW MEXICO STATE AUTHORIZED CHARTERED
SCHOOLS SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes and Findings

For Charter Schools' Notes to the Financial Statements, see Volume I.

For Charter Schools' Schedule of Findings and Questioned Costs, refer to Volume I.

COTTONWOOD CLASSICAL PREPARATORY SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities	Component Unit
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 99,500	29,416
Due from other governments	9,129	-
Prepaid expenses	6,621	-
Other assets	6,677	-
TOTAL CURRENT ASSETS	<u>121,927</u>	<u>29,416</u>
NON-CURRENT ASSETS:		
Capital assets	-	-
Less accumulated depreciation	-	-
TOTAL NON-CURRENT ASSETS	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 121,927</u>	<u>29,416</u>
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ -	-
Accrued payroll	177,099	-
Due to other funds	-	-
Compensated absences - due within one year	-	-
Other current liabilities - due within one year	-	6,677
TOTAL CURRENT LIABILITIES	177,099	6,677
NON-CURRENT LIABILITIES		
Other non-current liabilities - due in more than one year	-	-
TOTAL LIABILITIES	177,099	6,677
NET ASSETS:		
Invested in capital assets		-
Restricted	69,401	22,739
Unrestricted	(124,573)	-
TOTAL NET ASSETS	<u>(55,172)</u>	<u>22,739</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 121,927</u>	<u>29,416</u>

See Independent Auditors' Report and Notes to Financial Statements.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets	Component Unit
GOVERNMENTAL ACTIVITIES:						
Instruction	\$ 1,735,705	25,616	296,295	-	(1,413,794)	(2,400)
Support services:						
Students	93,106	-	-	-	(93,106)	-
Instruction	-	-	-	-	-	-
General administration	68,367	-	-	-	(68,367)	-
School administration	336,739	-	-	-	(336,739)	-
Central Services	114,454	-	-	-	(114,454)	(20,968)
Operation and maintenance of plant	421,384	-	89,139	-	(332,245)	-
Student transportation	-	-	-	-	-	-
Other support services	49	-	-	-	(49)	-
Operation of non-instructional services:						
Food services operations	-	-	-	-	-	-
Community services operations	-	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,769,804	25,616	385,434	-	(2,358,754)	(23,368)
GENERAL REVENUES AND TRANSFERS:						
State equalization guarantee					1,936,529	-
Miscellaneous					1,107	46,107
Gain (Loss) on disposal of capital assets					-	-
Transfers in					-	-
Transfers out					-	-
TOTAL GENERAL REVENUES AND TRANSFERS					1,937,636	46,107
CHANGE IN NET ASSETS					(421,118)	22,739
NET ASSETS, BEGINNING					365,946	-
NET ASSETS, ENDING					\$ (55,172)	22,739

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - ID - B</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - Charter School Planning</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 33,361	38,145	-	-	5,591
Due from other governments	-	-	1,689	-	-
Due from other funds	6,675	-	-	-	-
Prepaid expenses	6,621	-	-	-	-
Other assets	<u>6,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	\$ <u>53,334</u>	<u>38,145</u>	<u>1,689</u>	<u>-</u>	<u>5,591</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	-
Accrued payroll	174,648	-	-	2,451	-
Due to other funds	-	-	2,092	348	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	174,648	-	2,092	2,799	-
FUND BALANCES:					
Reserved	-	38,145	-	-	5,591
Unreserved	<u>(121,314)</u>	<u>-</u>	<u>(403)</u>	<u>(2,799)</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>(121,314)</u>	<u>38,145</u>	<u>(403)</u>	<u>(2,799)</u>	<u>5,591</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>53,334</u>	<u>38,145</u>	<u>1,689</u>	<u>-</u>	<u>5,591</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Balance Sheet - Governmental Funds

<u>CS - T - I</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Public School Capital Outlay</u>	<u>CS - Charter Schools</u>	<u>CS - Non-instructional Support</u>
-	-	-	-	-	22,403
4,178	-	3,262	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,178</u>	<u>-</u>	<u>3,262</u>	<u>-</u>	<u>-</u>	<u>22,403</u>
-	-	-	-	-	-
4,178	-	-	-	-	-
-	-	-	-	-	-
4,178	-	-	-	-	-
-	-	3,262	-	-	22,403
-	-	-	-	-	-
-	-	3,262	-	-	22,403
<u>4,178</u>	<u>-</u>	<u>3,262</u>	<u>-</u>	<u>-</u>	<u>22,403</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	<u>CS - Teacher/Principal Training & Recruiting</u>	<u>CS - Beginning Teacher Mentoring Program</u>	<u>CS - Technology for Education PED</u>	<u>Total Primary Government</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ -	-	-	99,500
Due from other governments	-	-	-	9,129
Due from other funds	-	-	-	6,675
Prepaid expenses	-	-	-	6,621
Other assets	-	-	-	6,677
TOTAL ASSETS	\$ -	-	-	128,602
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	-	-	-
Accrued payroll	-	-	-	177,099
Due to other funds	-	-	57	6,675
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	-	-	57	183,774
FUND BALANCES:				
Reserved	-	-	-	69,401
Unreserved	-	-	(57)	(124,573)
TOTAL FUND BALANCES (DEFICIT)	-	-	(57)	(55,172)
TOTAL LIABILITIES AND FUND BALANCES	\$ -	-	-	128,602

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>(55,172)</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>(55,172)</u>

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - ID - B	CS - ID - B Federal Stimulus	CS - Charter School Planning
REVENUES:					
Federal revenue	\$ -	-	15,731	12,353	-
State revenue	1,936,529	34,573	-	-	22,000
Other revenue	88,737	-	-	-	-
TOTAL REVENUES	2,025,266	34,573	15,731	12,353	22,000
EXPENDITURES:					
Current:					
Instruction	1,303,207	32,852	-	15,152	-
Support services:					
Students	58,953	-	14,043	-	-
Instruction	-	-	-	-	-
General administration	68,367	-	-	-	-
School administration	336,109	-	-	-	-
Central Services	114,454	-	-	-	-
Operation and maintenance of plant	242,822	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	49	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	2,123,961	32,852	14,043	15,152	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(98,695)	1,721	1,688	(2,799)	22,000
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(98,695)	1,721	1,688	(2,799)	22,000
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(22,619)	36,424	(2,091)	-	(16,409)
FUND BALANCES (DEFICIT), END OF YEAR	\$ (121,314)	38,145	(403)	(2,799)	5,591

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

CS - T - I	CS - T - I Federal Stimulus	CS - State Equalization Guarantee	CS - Public School Capital Outlay	CS - Charter Schools	CS - Non-instructional Support	CS - Teacher/Principal Training & Recruiting
17,423	17,104	190,633	-	262,902	-	5,286
-	-	-	89,139	-	-	-
-	-	-	-	-	20,620	-
17,423	17,104	190,633	89,139	262,902	20,620	5,286
17,423	17,104	99,602	-	233,912	5,827	5,286
-	-	-	-	20,110	-	-
-	-	-	-	-	-	-
-	-	-	-	630	-	-
-	-	87,769	89,139	1,654	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
17,423	17,104	187,371	89,139	256,306	5,827	5,286
-	-	3,262	-	6,596	14,793	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3,262	-	6,596	14,793	-
-	-	-	-	(6,596)	7,610	-
-	-	3,262	-	-	22,403	-

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Beginning Teacher Mentoring Program	CS - Technology for Education PED	Total Primary Government
REVENUES:			
Federal revenue	-	-	521,432
State revenue	5,340	1,683	2,089,264
Other revenue	\$ -	-	109,357
TOTAL REVENUES	5,340	1,683	2,720,053
EXPENDITURES:			
Current:			
Instruction	5,340	-	1,735,705
Support services:			
Students	-	-	93,106
Instruction	-	-	-
General administration	-	-	68,367
School administration	-	-	336,739
Central Services	-	-	114,454
Operation and maintenance of plant	-	-	421,384
Student transportation	-	-	-
Other support services	-	-	49
Operation of non-instructional services:			
Food services operations	-	-	-
Community services operations	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	5,340	-	2,769,804
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	1,683	(49,751)
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Other financing sources	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	-	1,683	(49,751)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(1,740)	(5,421)
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	(57)	(55,172)

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (49,751)

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

In prior year revenue was received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund. This was recorded as revenue in the current year Government Fund and was recorded as revenue in the prior year in the accrual basis Statement of Net Assets and Activities. (371,367)

Change in net assets of governmental activities (Statement of Activities) \$ (421,118)

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	1,937,863	1,936,529	1,936,529	-
Other revenue	-	-	88,737	88,737
TOTAL REVENUES	1,937,863	1,936,529	2,025,266	88,737
EXPENDITURES:				
Instruction	1,445,663	1,380,589	1,327,067	53,522
Support services	506,883	800,006	830,623	(30,617)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	1,952,546	2,180,595	2,157,690	22,905
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(14,683)	(244,066)	(132,424)	111,642
CASH OR FUND BALANCE, BEGINNING OF YEAR	14,683	100,611	(22,619)	(123,230)
CASH OR FUND BALANCE, END OF YEAR	-	(143,455)	(155,043)	(11,588)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (132,424)	
Adjustments to revenues			-	
Adjustments to expenditures			33,729	
NET CHANGE IN FUND BALANCE			\$ (98,695)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	34,573	34,573
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	34,573	34,573
EXPENDITURES:				
Instruction	-	-	32,852	(32,852)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	32,852	(32,852)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,721	1,721
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	36,424	36,424
CASH OR FUND BALANCE, END OF YEAR	-	-	38,145	38,145
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,721	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,721	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 14,043	14,043	14,043	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>14,043</u>	<u>14,043</u>	<u>14,043</u>	<u>-</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services	14,043	14,043	14,043	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>14,043</u>	<u>14,043</u>	<u>14,043</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(2,091)	(2,091)
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(2,091)</u>	<u>(2,091)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			1,688	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,688</u>	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	14,042	12,353	(1,689)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	14,042	12,353	(1,689)
EXPENDITURES:				
Instruction	-	14,042	13,468	574
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	14,042	13,468	574
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,115)	(1,115)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(1,115)	(1,115)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (1,115)	
Adjustments to revenues			-	
Adjustments to expenditures			(1,684)	
NET CHANGE IN FUND BALANCE			\$ (2,799)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL PLANNING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	22,000	22,000	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	22,000	22,000	-
EXPENDITURES:				
Instruction	-	22,000	-	22,000
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	22,000	-	22,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	22,000	22,000
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(16,409)	(16,409)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	5,591	5,591
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 22,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 22,000	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	17,423	13,245	(4,178)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	17,423	13,245	(4,178)
EXPENDITURES:				
Instruction	-	17,423	17,423	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	17,423	17,423	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(4,178)	(4,178)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(4,178) *	(4,178)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(4,178)	
Adjustments to revenues			4,178	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			-	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	17,104	17,104	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	17,104	17,104	-
EXPENDITURES:				
Instruction	-	17,104	17,104	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	17,104	17,104	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - STATE EQUALIZATION GUARANTEE				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 87,769	187,371	187,371	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	87,769	187,371	187,371	-
EXPENDITURES:				
Instruction	-	99,602	99,602	-
Support services	87,769	87,769	87,769	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	87,769	187,371	187,371	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			3,262	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,262	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	89,139	89,139	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	89,139	89,139	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	89,139	89,139	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	89,139	89,139	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	114,886	262,902	148,016
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	114,886	262,902	148,016
EXPENDITURES:				
Instruction	-	328,068	233,912	94,156
Support services	-	19,201	20,800	(1,599)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	347,269	254,712	92,557
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(232,383)	8,190	240,573
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(6,596)	(6,596)
CASH OR FUND BALANCE, END OF YEAR	\$ -	(232,383)	1,594	233,977
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 8,190	
Adjustments to revenues			-	
Adjustments to expenditures			(1,594)	
NET CHANGE IN FUND BALANCE			\$ 6,596	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - NON-INSTRUCTIONAL SUPPORT				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	20,620	20,620
TOTAL REVENUES	-	-	20,620	20,620
EXPENDITURES:				
Instruction	-	-	5,827	(5,827)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	5,827	(5,827)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	14,793	14,793
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	7,610	7,610
CASH OR FUND BALANCE, END OF YEAR	-	-	22,403	22,403
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 14,793	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 14,793	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/PRINCIPAL TRAINING & RECRUITING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 5,286	5,286	5,286	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>5,286</u>	<u>5,286</u>	<u>5,286</u>	-
EXPENDITURES:				
Instruction	5,286	5,286	5,286	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>5,286</u>	<u>5,286</u>	<u>5,286</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING PROGRAM			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	5,340	5,340	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	5,340	5,340	-
EXPENDITURES:				
Instruction	-	5,340	5,340	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	5,340	5,340	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - TECHNOLOGY FOR EDUCATION PED				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	1,683	1,683
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	1,683	1,683
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,683	1,683
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(1,740)	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(57)	1,683
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,683	
Adjustments to revenues			-	
Adjustments to expenditures			(1,683)	
NET CHANGE IN FUND BALANCE			\$ -	

* Refer to page Volume I, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking - Operating	\$ <u>162,240</u>	<u>99,500</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
COTTONWOOD CLASSICAL PREPARATORY SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 144,645
ADD:	
2009-2010 revenues	2,720,053
Payables and other	(346,067)
Loans from other funds	<u>6,675</u>
TOTAL CASH AVAILABLE	2,525,306
LESS:	
2009-2010 expenditures	2,769,804
Receivables and other	(350,673)
Loan to other funds	<u>6,675</u>
CASH, June 30, 2010	\$ <u><u>99,500</u></u>

CREATIVE EDUCATION PREPARATORY INSTITUTE #1

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 33,065
Due from other governments	42,155
Prepaid expenses	-
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	75,220
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>75,220</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ -
Accrued payroll	38,273
Due to other funds	-
Compensated absences - due within one year	93,734
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	132,007
NON-CURRENT LIABILITIES:	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES:	132,007
NET ASSETS:	
Invested in capital assets	-
Restricted	12,509
Unrestricted	<u>(69,296)</u>
TOTAL NET ASSETS	<u>(56,787)</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>75,220</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,125,020	9,360	163,482	-	(952,178)
Support services:					
Students	276,688	-	-	-	(276,688)
Instruction	2,707	-	-	-	(2,707)
General administration	20,803	-	-	-	(20,803)
School administration	126,104	-	-	-	(126,104)
Central Services	130,543	-	-	-	(130,543)
Operation and maintenance of plant	433,395	-	79,337	-	(354,058)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,115,260	9,360	242,819	-	(1,863,081)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,539,245
Miscellaneous					2,644
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					1,541,889
CHANGE IN NET ASSETS					(321,192)
NET ASSETS, BEGINNING					264,405
NET ASSETS, ENDING					\$ (56,787)

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - Training</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 25,834	7,231	-	-	-
Due from other governments	-	-	24,106	-	7,316
Due from other funds	201,813	-	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>227,647</u>	<u>7,231</u>	<u>24,106</u>	<u>-</u>	<u>7,316</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	-
Accrued payroll	38,181	-	3	-	-
Due to other funds	-	-	20,954	-	5,187
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	38,181	-	20,957	-	5,187
FUND BALANCES:					
Reserved	-	7,231	3,149	-	2,129
Unreserved	<u>189,466</u>	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	<u>189,466</u>	<u>7,231</u>	<u>3,149</u>	<u>-</u>	<u>2,129</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>227,647</u>	<u>7,231</u>	<u>24,106</u>	<u>-</u>	<u>7,316</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Balance Sheet - Governmental Funds

CS - Safe & Drug Free	CS - T - I Federal Stimulus	CS - State Equalization Guarantee	CS - School in Need of Improvement	CS - Library	CS - Public School Capital Outlay	Total Primary Government
-	-	-	-	-	-	33,065
720	10,013	-	-	-	-	42,155
-	-	-	-	-	-	201,813
-	-	-	-	-	-	-
<u>720</u>	<u>10,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>277,033</u>
-	-	-	-	-	-	-
-	81	8	-	-	-	38,273
720	13,100	64,544	30,000	-	67,308	201,813
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
720	13,181	64,552	30,000	-	67,308	240,086
-	-	-	-	-	-	12,509
<u>-</u>	<u>(3,168)</u>	<u>(64,552)</u>	<u>(30,000)</u>	<u>-</u>	<u>(67,308)</u>	<u>24,438</u>
<u>-</u>	<u>(3,168)</u>	<u>(64,552)</u>	<u>(30,000)</u>	<u>-</u>	<u>(67,308)</u>	<u>36,947</u>
<u>720</u>	<u>10,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>277,033</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 36,947

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

Long-term and certain other liabilities are not due and payable in the current
period and therefore are not reported as liabilities in the funds. Long-term
and other liabilities at year end consist of:

Compensated absences (93,734)

Net assets of governmental activities (Statement of Net Assets) \$ (56,787)

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Materials	CS - T - I	CS - ID - B	CS - Training
REVENUES:					
Federal revenue	\$ -	-	24,106	33,694	7,316
State revenue	1,539,245	9,566	-	-	-
Other revenue	<u>12,004</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	1,551,249	9,566	24,106	33,694	7,316
EXPENDITURES:					
Current:					
Instruction	890,229	15,649	17,154	33,694	5,187
Support services:					
Students	274,086	-	2,602	-	-
Instruction	2,184	-	-	-	-
General administration	20,803	-	-	-	-
School administration	126,104	-	-	-	-
Central Services	129,342	-	1,201	-	-
Operation and maintenance of plant	247,328	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,690,076</u>	<u>15,649</u>	<u>20,957</u>	<u>33,694</u>	<u>5,187</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(138,827)	(6,083)	3,149	-	2,129
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>(138,827)</u>	<u>(6,083)</u>	<u>3,149</u>	<u>-</u>	<u>2,129</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>328,293</u>	<u>13,314</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>189,466</u>	<u>7,231</u>	<u>3,149</u>	<u>-</u>	<u>2,129</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds

CS - Safe & Drug Free	CS - T - I Federal Stimulus.	CS - State Equalization Guarantee	CS - School in Need of Improvement	CS - Library	CS - Public School Capital Outlay	Total Primary Government
720	10,013	78,067	-	-	-	153,916
-	-	-	-	-	79,337	1,628,148
-	-	-	-	-	-	12,004
720	10,013	78,067	-	-	79,337	1,794,068
720	13,181	103,197	30,000	-	-	1,109,011
-	-	-	-	-	-	276,688
-	-	-	-	523	-	2,707
-	-	-	-	-	-	20,803
-	-	-	-	-	-	126,104
-	-	39,422	-	-	-	130,543
-	-	-	-	-	146,645	433,395
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
720	13,181	142,619	30,000	523	146,645	2,099,251
-	(3,168)	(64,552)	(30,000)	(523)	(67,308)	(305,183)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(3,168)	(64,552)	(30,000)	(523)	(67,308)	(305,183)
-	-	-	-	523	-	342,130
-	(3,168)	(64,552)	(30,000)	-	(67,308)	36,947

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1**

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities**

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) **\$ (305,183)**

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

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase in the liabilities for the fiscal year was: (16,009)

Change in net assets of governmental activities (Statement of Activities) **\$ (321,192)**

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	1,496,358	1,539,245	1,539,245	-
Other revenue	<u>1,324</u>	<u>1,324</u>	<u>12,004</u>	<u>10,680</u>
TOTAL REVENUES	1,497,682	1,540,569	1,551,249	10,680
EXPENDITURES:				
Instruction	908,832	908,832	904,448	4,384
Support services	934,961	977,848	809,296	168,552
Operation of non-instructional services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,843,793</u>	<u>1,886,680</u>	<u>1,713,744</u>	<u>172,936</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(346,111)	(346,111)	(162,495)	183,616
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>346,111</u>	<u>346,111</u>	<u>328,293</u>	<u>-</u>
CASH OR FUND BALANCE, END OF YEAR	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>165,798</u></u>	<u><u>183,616</u></u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (162,495)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>23,668</u>	
NET CHANGE IN FUND BALANCE			<u><u>(138,827)</u></u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	6,500	7,676	9,566	1,890
Other revenue	-	-	-	-
TOTAL REVENUES	6,500	7,676	9,566	1,890
EXPENDITURES:				
Instruction	6,500	16,737	15,649	1,088
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	6,500	16,737	15,649	1,088
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(9,061)	(6,083)	2,978
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	9,061	13,314	4,253
CASH OR FUND BALANCE, END OF YEAR	-	-	7,231	7,231
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,083)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (6,083)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 22,032	30,825	-	(30,825)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	22,032	30,825	-	(30,825)
EXPENDITURES:				
Instruction	18,032	26,825	17,154	9,671
Support services	4,000	4,000	3,803	197
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	22,032	30,825	20,957	9,868
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(20,957)	(20,957)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(20,957)	(20,957)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (20,957)	
Adjustments to revenues			24,106	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,149	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	33,694	33,694	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	33,694	33,694	-
EXPENDITURES:				
Instruction	-	33,694	33,694	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	33,694	33,694	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TRAINING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 7,338	7,338	-	(7,338)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	7,338	7,338	-	(7,338)
EXPENDITURES:				
Instruction	7,338	7,338	5,187	2,151
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	7,338	7,338	5,187	2,151
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,187)	(5,187)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(5,187)	(5,187)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (5,187)	
Adjustments to revenues			7,316	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 2,129	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SAFE & DRUG FREE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 720	720	-	(720)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	720	720	-	(720)
EXPENDITURES:				
Instruction	720	720	720	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	720	720	720	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(720)	(720)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(720)	(720)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (720)	
Adjustments to revenues			720	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 10,865	30,261	-	(30,261)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	10,865	30,261	-	(30,261)
EXPENDITURES:				
Instruction	10,865	30,261	13,181	17,080
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	10,865	30,261	13,181	17,080
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(13,181)	(13,181)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(13,181)	(13,181)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (13,181)	
Adjustments to revenues			10,013	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (3,168)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - STATE EQUALIZATION GUARANTEE				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 109,509	148,932	78,067	(70,865)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	109,509	148,932	78,067	(70,865)
EXPENDITURES:				
Instruction	109,509	109,509	103,197	6,312
Support services	-	39,423	39,422	1
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	109,509	148,932	142,619	6,313
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(64,552)	(64,552)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(64,552)	(64,552)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (64,552)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (64,552)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - SCHOOL IN NEED OF IMPROVEMENT

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	30,000	-	(30,000)
Other revenue	-	-	-	-
TOTAL REVENUES	-	30,000	-	(30,000)
EXPENDITURES:				
Instruction	-	30,000	-	30,000
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	30,000	-	30,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			(30,000)	
NET CHANGE IN FUND BALANCE			\$ (30,000)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	523	523	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	523	523	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(523)	(523)	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	523	523	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (523)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (523)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	105,782	79,337	(26,445)
Other revenue	-	-	-	-
TOTAL REVENUES	-	105,782	79,337	(26,445)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	147,529	146,645	884
TOTAL EXPENDITURES	-	147,529	146,645	884
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(41,747)	(67,308)	(25,561)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	(41,747)	(67,308)	(25,561)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (67,308)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (67,308)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY SCHOOL #1

Statement of Fiduciary Assets and Liabilities - Agency Fund

AS OF JUNE 30, 2010

	<u>Agency Fund</u>
ASSETS:	
Cash and cash equivalents	\$ -
TOTAL ASSETS	<u>\$ -</u>
LIABILITIES:	
Deposits held in trust for others	\$ -
TOTAL LIABILITIES	<u>\$ -</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>292,584</u>	<u>33,065</u>
Wells Fargo Bank - Checking (Agency)	\$ <u>2,152</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY INSTITUTE #1

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 397,594
ADD:	-
2009-2010 revenues	1,794,068
Payables	(75,229)
Loans from other funds	<u>201,813</u>
TOTAL CASH AVAILABLE	2,318,246
LESS:	
2009-2010 expenditures	2,099,251
Account Receivables	(15,883)
Loan to other funds	<u>201,813</u>
CASH, June 30, 2010	\$ <u><u>33,065</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPARATORY SCHOOL #1

Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010	Student Activity Fund
Assets, July 1, 2009	\$ 2,062
Increase	2,113
Decrease	(4,175)
Assets, June 30, 2010	\$ <u> -</u>
Liabilities, July 1, 2009	\$ 2,062
Increase	2,113
Decrease	<u> (4,175)</u>
Liabilities, June 30, 2010	\$ <u> -</u>

GILBERT L. SENA CHARTER HIGH SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 396,880
Due from other governments	40,394
Prepaid expenses	-
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	437,274
NON-CURRENT ASSETS:	
Capital assets	84,363
Less accumulated depreciation	<u>(45,293)</u>
TOTAL NON-CURRENT ASSETS	<u>39,070</u>
TOTAL ASSETS	\$ <u>476,344</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 3,326
Accrued payroll	53,428
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	56,754
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	\$ 56,754
NET ASSETS:	
Invested in capital assets	39,070
Restricted	45,938
Unrestricted	<u>334,582</u>
TOTAL NET ASSETS	<u>419,590</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>476,344</u>

See Independent Auditors' Report and Notes to Financial Statements.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,084,333	-	353,895	-	(730,438)
Support services:					
Students	330,361	-	-	-	(330,361)
Instruction	27,996	-	-	-	(27,996)
General administration	19,300	-	-	-	(19,300)
School administration	252,091	-	-	-	(252,091)
Central Services	81,415	-	-	-	(81,415)
Operation and maintenance of plant	330,653	-	123,563	-	(207,090)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,126,149	-	477,458	-	(1,648,691)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,625,194
Miscellaneous					77,864
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					1,703,058
CHANGE IN NET ASSETS					54,367
NET ASSETS, BEGINNING OF YEAR					365,223
NET ASSETS, END OF YEAR					\$ 419,590

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 350,617	43,151	-	-
Due from other governments	-	-	-	-
Due from other funds	40,394	-	-	-
Prepaid expenses	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	\$ <u>391,011</u>	<u>43,151</u>	<u>-</u>	<u>-</u>
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ 3,001	-	-	-
Accrued payroll	53,428	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	56,429	-	-	-
FUND BALANCES:				
Reserved	-	43,151	-	-
Unreserved	<u>334,582</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>334,582</u>	<u>43,151</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>391,011</u>	<u>43,151</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Balance Sheet - Governmental Funds

<u>CS - Training</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Begin Teacher Mentoring Program</u>	<u>CS - Schools in Need of Improvement</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
-	-	2,787	-	325	396,880
10,394	-	-	30,000	-	40,394
-	-	-	-	-	40,394
-	-	-	-	-	-
<u>10,394</u>	<u>-</u>	<u>2,787</u>	<u>30,000</u>	<u>325</u>	<u>477,668</u>
-	-	-	-	325	3,326
-	-	-	-	-	53,428
10,394	-	-	30,000	-	40,394
-	-	-	-	-	-
10,394	-	-	30,000	325	97,148
-	-	2,787	-	-	45,938
-	-	-	-	-	334,582
-	-	2,787	-	-	380,520
<u>10,394</u>	<u>-</u>	<u>2,787</u>	<u>30,000</u>	<u>325</u>	<u>477,668</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 380,520
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	84,363
Accumulated depreciation	<u>(45,293)</u>
Total capital assets	<u>39,070</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>419,590</u></u>

YEAR ENDED JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
REVENUES:				
Federal revenue	\$ -	-	81,561	39,596
State revenue	1,625,194	7,099	-	-
Other revenue	<u>77,864</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	1,703,058	7,099	81,561	39,596
EXPENDITURES:				
Current:				
Instruction	871,725	6,462	-	39,596
Support services:				
Students	248,800	-	81,561	-
Instruction	-	-	-	-
General administration	19,300	-	-	-
School administration	215,697	-	-	-
Central Services	75,479	-	-	-
Operation and maintenance of plant	207,090	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,638,091</u>	<u>6,462</u>	<u>81,561</u>	<u>39,596</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	64,967	637	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES):	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>64,967</u>	<u>637</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>269,615</u>	<u>42,514</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	\$ <u><u>334,582</u></u>	<u><u>43,151</u></u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

CS - Training	CS - State Equalization Guarantee	CS - Begin Teacher Mentoring Program	CS - Schools in Need of Improvement	CS - Public School Capital Outlay	Total Primary Government
10,394	157,249	-	30,000	-	318,800
-	-	-	27,996	123,563	1,783,852
-	-	-	-	-	77,864
10,394	157,249	-	57,996	123,563	2,180,516
4,000	157,249	-	-	-	1,079,032
-	-	-	-	-	330,361
-	-	-	27,996	-	27,996
-	-	-	-	-	19,300
6,394	-	-	30,000	-	252,091
-	-	-	-	-	75,479
-	-	-	-	123,563	330,653
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,394	157,249	-	57,996	123,563	2,114,912
-	-	-	-	-	65,604
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	65,604
-	-	2,787	-	-	314,916
-	-	2,787	-	-	380,520

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 65,604
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	-
Depreciation expense	<u>(11,237)</u>
Excess of capital outlay over depreciation expense	<u>(11,237)</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u>54,367</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	1,689,944	1,625,194	1,625,194	-
Other revenue	-	-	77,864	77,864
TOTAL REVENUES	<u>1,689,944</u>	<u>1,625,194</u>	<u>1,703,058</u>	<u>77,864</u>
EXPENDITURES:				
Instruction	888,234	823,484	859,791	(36,307)
Support services	816,710	816,710	766,366	50,344
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>1,704,944</u>	<u>1,640,194</u>	<u>1,626,157</u>	<u>14,037</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(15,000)	(15,000)	76,901	91,901
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>15,000</u>	<u>15,000</u>	<u>269,615</u>	<u>254,615</u>
CASH OR FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>-</u>	<u>346,516</u>	<u>346,516</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 76,901	
Adjustments to revenues			-	
Adjustments to expenditures			(11,934)	
NET CHANGE IN FUND BALANCE			<u>\$ 64,967</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	6,462	6,462	10,650	4,188
Other revenue	-	-	-	-
TOTAL REVENUES	<u>6,462</u>	<u>6,462</u>	<u>10,650</u>	<u>4,188</u>
EXPENDITURES:				
Instruction	6,462	6,462	6,462	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>6,462</u>	<u>6,462</u>	<u>6,462</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,188	4,188
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	42,514	42,514
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>46,702</u>	<u>46,702</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 4,188	
Adjustments to revenues			(3,551)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 637</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	81,561	81,561	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	81,561	81,561	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	81,561	81,561	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	81,561	81,561	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 43,800	39,596	39,596	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>43,800</u>	<u>39,596</u>	<u>39,596</u>	-
EXPENDITURES:				
Instruction	43,800	39,596	39,596	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>43,800</u>	<u>39,596</u>	<u>39,596</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - Training			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	10,394	10,394	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	10,394	10,394	-
EXPENDITURES:				
Instruction	-	4,000	4,000	-
Support services	-	6,394	6,394	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	10,394	10,394	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 116,725	157,249	157,249	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	116,725	157,249	157,249	-
EXPENDITURES:				
Instruction	116,725	157,249	157,249	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	116,725	157,249	157,249	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - BEGINNING TEACHER MENTORING PROGRAM				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	2,787	2,787
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	2,787	2,787
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SCHOOLS IN NEED OF IMPROVEMENT			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	30,000	30,000	-
State revenue	-	35,000	27,996	(7,004)
Other revenue	-	-	-	-
TOTAL REVENUES	-	65,000	57,996	(7,004)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	65,000	57,996	7,004
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	65,000	57,996	7,004
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	123,563	123,563	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	123,563	123,563	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	123,563	123,563	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	123,563	123,563	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE OVER (UNDER) EXPENDITURES			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>7,311</u>
TOTAL ASSETS	\$ <u><u>7,311</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>7,311</u>
TOTAL LIABILITIES	\$ <u><u>7,311</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>465,766</u>	<u>396,880</u>
Wells Fargo Bank - Activity Fund (Agency)	\$ <u>7,311</u>	<u>7,311</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 337,545
ADD:	-
2009-2010 revenues	2,180,516
Payables and other	(34,772)
Loans from other funds	<u>40,394</u>
TOTAL CASH AVAILABLE	2,523,683
LESS:	
2009-2010 expenditures	2,114,912
Receivables and other	(28,503)
Loan to other funds	<u>40,394</u>
CASH, June 30, 2010	\$ <u><u>396,880</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL
Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Activity Fund</u>
Assets, July 1, 2009	\$ 10,577
Increase	2,080
Decrease	<u>5,346</u>
Assets, June 30, 2010	\$ <u>7,311</u>
Liabilities, July 1, 2009	\$ 10,577
Increase	2,080
Decrease	<u>5,346</u>
Liabilities, June 30, 2010	\$ <u>7,311</u>

HORIZON ACADEMY WEST

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statement of Net Assets

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 288,498
Due from other governments	177,230
Prepaid expenses	14,525
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	480,253
NON-CURRENT ASSETS:	
Capital assets	28,084
Less accumulated depreciation	<u>(24,267)</u>
TOTAL NON-CURRENT ASSETS	<u>3,817</u>
TOTAL ASSETS	\$ <u>484,070</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 9,488
Accrued payroll	185,921
Due to other funds	-
Compensated absences - due within one year	89,388
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	284,797
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	284,797
NET ASSETS:	
Invested in capital assets	3,817
Restricted	472
Unrestricted	<u>194,984</u>
TOTAL NET ASSETS	<u>199,273</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>484,070</u>

See Independent Auditors' Report and Notes to Financial Statements.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,637,936	41,010	904,281	-	(692,645)
Support services:					
Students	245,252	-	-	-	(245,252)
Instruction	53,840	-	-	-	(53,840)
General administration	24,781	-	-	-	(24,781)
School administration	508,599	-	-	-	(508,599)
Central Services	50,577	-	-	-	(50,577)
Operation and maintenance of plant	791,510	-	310,901	-	(480,609)
Student transportation	-	-	-	-	-
Other support services	1,977	-	-	-	(1,977)
Operation of non-instructional services:					
Food services operations	186,334	29,260	-	-	(157,074)
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>3,500,806</u>	<u>70,270</u>	<u>1,215,182</u>	<u>-</u>	<u>(2,215,354)</u>
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					2,268,536
Miscellaneous					3,601
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>2,272,137</u>
CHANGE IN NET ASSETS					56,783
NET ASSETS, BEGINNING OF YEAR					<u>161,487</u>
RESTATEMENT					(18,997)
NET ASSETS, BEGINNING OF YEAR, RESTATED					<u>142,490</u>
NET ASSETS, END OF FISCAL YEAR					\$ <u>199,273</u>

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - Food Services</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - ID - B "Risk Pool"</u>
ASSETS:						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 285,365	2,661	472	-	-	-
Due from other governments	-	-	-	24,741	15,127	1,061
Due from other funds	158,736	-	-	-	-	-
Prepaid expenses	14,525	-	-	-	-	-
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 458,626	2,661	472	24,741	15,127	1,061
LIABILITIES AND FUND BALANCES:						
CURRENT LIABILITIES:						
Accounts payable	\$ 8,684	-	-	-	-	-
Accrued payroll	158,339	-	-	12,034	2,079	-
Due to other funds	-	-	-	12,707	13,048	1,061
Deferred revenue	-	-	-	-	-	-
TOTAL LIABILITIES	167,023	-	-	24,741	15,127	1,061
FUND BALANCES:						
Reserved	-	-	472	-	-	-
Unreserved	291,603	2,661	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	291,603	2,661	472	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 458,626	2,661	472	24,741	15,127	1,061

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Balance Sheet - Governmental Funds

CS - Teacher/Principal Training & Recruitment	CS - Safe & Drug Free Schools & Community	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - 2008 Student Library Fund	CS - Beginning Teacher Mentoring	CS - Library Book Fund
-	-	-	-	-	-	-	-
3,007	1,618	24,664	14,169	-	3,605	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,007</u>	<u>1,618</u>	<u>24,664</u>	<u>14,169</u>	<u>-</u>	<u>3,605</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
1,038	-	6,102	6,314	-	-	-	-
1,969	1,618	18,562	7,855	-	3,605	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3,007	1,618	24,664	14,169	-	3,605	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>3,007</u>	<u>1,618</u>	<u>24,664</u>	<u>14,169</u>	<u>-</u>	<u>3,605</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	CS - Public School Capital Outlay	CS - Elementary & Middle School Initiative	CS - Technology for Education PED	CS - Truancy Initiative PED	CS - Capital Improvements SB-9	Total Primary Government
ASSETS:						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	-	-	-	-	288,498
Due from other governments	77,725	-	-	1,935	9,578	177,230
Due from other funds	-	-	-	-	-	158,736
Prepaid expenses	-	-	-	-	-	14,525
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 77,725	-	-	1,935	9,578	638,989
LIABILITIES AND FUND BALANCES:						
CURRENT LIABILITIES:						
Accounts payable	\$ -	-	804	-	-	9,488
Accrued payroll	-	15	-	-	-	185,921
Due to other funds	77,725	2,205	6,868	1,935	9,578	158,736
Deferred revenue	-	-	-	-	-	-
TOTAL LIABILITIES	77,725	2,220	7,672	1,935	9,578	354,145
FUND BALANCES:						
Reserved	-	-	-	-	-	472
Unreserved	-	(2,220)	(7,672)	-	-	284,372
TOTAL FUND BALANCES (DEFICIT)	-	(2,220)	(7,672)	-	-	284,844
TOTAL LIABILITIES AND FUND BALANCES	\$ 77,725	-	-	1,935	9,578	638,989

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 284,844
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	28,084
Accumulated depreciation	<u>(24,267)</u>
Total capital assets	3,817

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	<u>(89,388)</u>
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Net assets of governmental activities (Statement of Net Assets)	\$ <u>199,273</u>
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YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - Food Services	CS - T - I	CS - ID - B	CS - ID - B "Risk Pool"
REVENUES:						
Federal revenue	\$ -	-	157,546	175,929	97,775	1,061
State revenue	2,268,536	16,538	-	-	-	-
Other revenue	41,010	-	29,260	-	-	-
TOTAL REVENUES	2,309,546	16,538	186,806	175,929	97,775	1,061
EXPENDITURES:						
Current:						
Instruction	1,540,459	48,430	-	-	-	1,061
Support services:						
Students	31,931	-	-	55,034	88,579	-
Instruction	12,952	1,831	-	34,076	-	-
General administration	24,781	-	-	-	-	-
School administration	337,521	-	-	68,104	-	-
Central Services	50,577	-	-	-	-	-
Operation and maintenance of plant	247,718	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	1,977	-	-	-	-	-
Operation of non-instructional services:						
Food services operations	-	-	186,334	-	-	-
Community services operations	-	-	-	-	-	-
Capital outlay						
TOTAL EXPENDITURES	2,247,916	50,261	186,334	157,214	88,579	1,061
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	61,630	(33,723)	472	18,715	9,196	-
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	26,654	-	-	-
Transfers out	(26,654)	-	-	-	-	-
Other financing sources	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(26,654)	-	26,654	-	-	-
NET CHANGE IN FUND BALANCE	34,976	(33,723)	27,126	18,715	9,196	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	256,627	36,384	(7,657)	(18,715)	(9,196)	-
RESTATEMENT (NOTE 21)	-	-	(18,997)	-	-	-
FUND BALANCES (DEFICIT), BEGINNING OF YEAR - RESTATED	256,627	36,384	(26,654)	(18,715)	(9,196)	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ 291,603	2,661	472	-	-	-

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Public School Capital Outlay	CS - Elementary & Middle School Initiative	CS - Technology for Education PED	CS - Truancy Initiative PED	CS - Capital Improvements SB-9	Total Primary Government
REVENUES:						
Federal revenue	\$ -	-	-	-	-	886,413
State revenue	310,901	-	2,861	16,154	9,578	2,631,555
Other revenue	-	5,544	-	-	-	75,814
TOTAL REVENUES	310,901	5,544	2,861	16,154	9,578	3,593,782
EXPENDITURES:						
Current:						
Instruction	-	5,821	9,871	-	-	1,682,369
Support services:						
Students	-	-	-	-	-	245,252
Instruction	-	-	-	-	-	53,840
General administration	-	-	-	-	-	24,781
School administration	-	-	-	12,797	-	508,599
Central Services	-	-	-	-	-	50,577
Operation and maintenance of plant	310,901	-	-	-	9,578	787,693
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	1,977
Operation of non-instructional services:						
Food services operations	-	-	-	-	-	186,334
Community services operations	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	310,901	5,821	9,871	12,797	9,578	3,541,422
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(277)	(7,010)	3,357	-	52,360
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other financing sources	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	(277)	(7,010)	3,357	-	52,360
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	(1,943)	(662)	(3,357)	-	251,481
RESTATEMENT (NOTE 21)	-	-	-	-	-	(18,997)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR - RESTATED	-	(1,943)	(662)	(3,357)	-	232,484
FUND BALANCES (DEFICIT), END OF YEAR	\$ -	(2,220)	(7,672)	-	-	284,844

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ 52,360

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

In prior year revenue was received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund this was recorded as revenue in the current year and was recorded as revenue in the prior year in the accrual basis Statement of Net Assets and Activities. (36,193)

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	-
Depreciation expense	(3,817)
Excess of capital outlay over depreciation expense	(3,817)

Governmental Funds report compensated absences as expenditures. However, in the Statement of Activities, the cost of those liabilities is accrued. In the current period, this amount was: 44,433

Change in net assets of governmental activities (Statement of Activities) \$ 56,783

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	2,365,849	2,268,536	2,268,536	-
Other revenue	-	48,000	14,356	(33,644)
TOTAL REVENUES	2,365,849	2,316,536	2,282,892	(33,644)
EXPENDITURES:				
Instruction	1,601,930	1,615,491	1,554,984	60,507
Support services	817,919	966,522	741,888	224,634
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	2,419,849	2,582,013	2,296,872	285,141
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(54,000)	(265,477)	(13,980)	251,497
CASH OR FUND BALANCE, BEGINNING OF YEAR	54,000	265,477	256,627	(8,850)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	242,647	242,647
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (13,980)	
Adjustments to revenues			-	
Adjustments to expenditures			48,956	
NET CHANGE IN FUND BALANCE			\$ 34,976	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	52,747	-	(52,747)
State revenue	-	-	16,538	16,538
Other revenue	-	-	-	-
TOTAL REVENUES	-	52,747	16,538	(36,209)
EXPENDITURES:				
Instruction	-	49,571	48,430	1,141
Support services	-	3,176	1,831	1,345
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	52,747	50,261	2,486
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(33,723)	(33,723)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	36,384	36,384
CASH OR FUND BALANCE, END OF YEAR	-	-	2,661	2,661
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (33,723)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (33,723)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - FOOD SERVICES			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	52,561	157,546	104,985
State revenue	-	-	-	-
Other revenue	<u>150,000</u>	<u>150,000</u>	<u>55,914</u>	<u>(94,086)</u>
TOTAL REVENUES	150,000	202,561	213,460	10,899
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	<u>150,000</u>	<u>202,561</u>	<u>186,334</u>	<u>16,227</u>
TOTAL EXPENDITURES	<u>150,000</u>	<u>202,561</u>	<u>186,334</u>	<u>16,227</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	27,126	27,126
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>(7,657)</u>	<u>(7,657)</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u><u>-</u></u>	<u><u>-</u></u>	<u>19,469</u>	<u>19,469</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 27,126	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 27,126</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 164,011	198,532	166,289	(32,243)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>164,011</u>	<u>198,532</u>	<u>166,289</u>	<u>(32,243)</u>
EXPENDITURES:				
Instruction	49,820	14,383	-	14,383
Support services	114,191	184,149	170,895	13,254
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>164,011</u>	<u>198,532</u>	<u>170,895</u>	<u>27,637</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(4,606)	(4,606)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(18,715)	(18,715)
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(23,321)</u>	<u>(23,321)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (4,606)	
Adjustments to revenues			9,640	
Adjustments to expenditures			<u>13,681</u>	
NET CHANGE IN FUND BALANCE			\$ <u>18,715</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 90,859	90,852	82,648	(8,204)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>90,859</u>	<u>90,852</u>	<u>82,648</u>	<u>(8,204)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services	90,859	90,852	89,582	1,270
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>90,859</u>	<u>90,852</u>	<u>89,582</u>	<u>1,270</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,934)	(6,934)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(9,196)	(9,196)
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(16,130)</u>	<u>(16,130)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,934)	
Adjustments to revenues			15,127	
Adjustments to expenditures			<u>1,003</u>	
NET CHANGE IN FUND BALANCE			\$ <u>9,196</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B "RISK POOL"			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	1,061	-	(1,061)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,061	-	(1,061)
EXPENDITURES:				
Instruction	-	1,061	1,061	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,061	1,061	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,061)	(1,061)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(1,061)	(1,061)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (1,061)	
Adjustments to revenues			1,061	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/PRINCIPAL TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 22,491	21,627	45,071	23,444
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	22,491	21,627	45,071	23,444
EXPENDITURES:				
Instruction	-	-	-	-
Support services	22,491	21,627	21,627	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	22,491	21,627	21,627	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	23,444	23,444
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	23,444	23,444
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 23,444	
Adjustments to revenues			(23,444)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SAFE & DRUG FREE SCHOOL & COMMUNITY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	4,117	-	(4,117)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	4,117	-	(4,117)
EXPENDITURES:				
Instruction	-	4,117	1,618	2,499
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	4,117	1,618	2,499
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,618)	(1,618)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(1,618)	(1,618)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (1,618)	
Adjustments to revenues			1,618	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 70,386	122,359	82,651	(39,708)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	70,386	122,359	82,651	(39,708)
EXPENDITURES:				
Instruction	-	2,094	-	2,094
Support services	70,386	120,265	107,316	12,949
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	70,386	122,359	107,316	15,043
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(24,665)	(24,665)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(24,665)	(24,665)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (24,665)	
Adjustments to revenues			24,665	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	109,604	104,045	(5,559)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	109,604	104,045	(5,559)
EXPENDITURES:				
Instruction	-	78,662	73,103	5,559
Support services	-	30,942	30,942	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	109,604	104,045	5,559
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 189,728	219,496	219,496	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	189,728	219,496	219,496	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	189,728	219,496	219,496	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	189,728	219,496	219,496	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - 2008 STUDENT LIBRARY FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,665	60	(3,605)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,665	60	(3,605)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,665	3,665	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,665	3,665	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,605)	(3,605)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(3,605)	(3,605)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (3,605)	
Adjustments to revenues			3,605	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING PROGRAM			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	2,006	2,006	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	2,006	2,006	-
EXPENDITURES:				
Instruction	-	2,006	2,006	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	2,006	2,006	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - LIBRARY BOOK FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	1,316	1,316	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,316	1,316	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	1,316	1,316	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,316	1,316	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	310,901	233,176	(77,725)
Other revenue	-	-	-	-
TOTAL REVENUES	-	310,901	233,176	(77,725)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	310,901	310,901	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	310,901	310,901	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(77,725)	(77,725)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(77,725)	(77,725)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (77,725)	
Adjustments to revenues			77,725	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ELEMENTARY & MIDDLE SCHOOL INITIATIVE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	7,490	5,544	(1,946)
TOTAL REVENUES	-	7,490	5,544	(1,946)
EXPENDITURES:				
Instruction	-	7,490	5,821	1,669
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	7,490	5,821	1,669
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(277)	(277)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(1,943)	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(2,220)	(277)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (277)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (277)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TECHNOLOGY FOR EDUCATION PED			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	10,221	2,861	(7,360)
Other revenue	-	-	-	-
TOTAL REVENUES	-	10,221	2,861	(7,360)
EXPENDITURES:				
Instruction	-	10,221	10,533	(312)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	10,221	10,533	(312)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(7,672)	(7,672)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(662)	(662)
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(8,334)	(8,334)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (7,672)	
Adjustments to revenues			-	
Adjustments to expenditures			662	
NET CHANGE IN FUND BALANCE *			\$ (7,010)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TRUANCY INITIATIVE PED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	12,797	14,219	1,422
Other revenue	-	-	-	-
TOTAL REVENUES	-	12,797	14,219	1,422
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	12,797	12,797	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	12,797	12,797	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,422	1,422
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(3,357)	(3,357)
CASH OR FUND BALANCE, END OF YEAR	-	-	(1,935)	(1,935)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,422	
Adjustments to revenues			1,935	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,357	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CAPITAL IMPROVEMENTS SB-9			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	9,578	9,578	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	9,578	9,578	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	9,578	9,578	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	9,578	9,578	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>15,424</u>
TOTAL ASSETS	\$ <u>15,424</u>
LIABILITIES:	
Deposits held in trust for others	<u>15,424</u>
TOTAL LIABILITIES	\$ <u>15,424</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST IZON ACADEMY WEST

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
New Mexico Bank & Trust - Checking	\$ <u>333,256</u>	<u>288,498</u>
New Mexico Bank & Trust - Activities (Agency)	\$ <u>16,211</u>	<u>15,424</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	529,772
ADD:	
2009-2010 revenues	3,593,782
Payables and other	(162,717)
Loans from other funds	<u>158,736</u>
TOTAL CASH AVAILABLE	4,119,573
LESS:	
2009-2010 expenditures	3,560,419
Receivables and other	111,920
Loan to other funds	<u>158,736</u>
CASH, June 30, 2010	<u><u>288,498</u></u>

AS OF JUNE 30, 2010

	<u>Administration</u>	<u>Cookie Dough</u>	<u>Kindergarten</u>	<u>Positive Behaviors</u>	<u>First Grade</u>
ASSETS:					
Cash and cash equivalents	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>
TOTAL ASSETS	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>
LIABILITIES:					
Deposits held in trust for others	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>
TOTAL LIABILITIES	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Combining Statement of Assets and Liabilities -
Agency Funds

<u>Second Grade</u>	<u>Third Grade</u>	<u>Fourth Grade</u>	<u>Fifth Grade</u>	<u>Sixth Grade</u>	<u>Total</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>

AS OF JUNE 30, 2010

	<u>Administration</u>	<u>Cookie Dough</u>	<u>Kindergarten</u>	<u>Positive Behaviors</u>	<u>First Grade</u>
Assets, July 1, 2009	\$ 7,915	-	1,564	-	1,521
Increase	19,135	4,048	3,699	1,000	1,126
Decrease	<u>26,050</u>	<u>-</u>	<u>4,490</u>	<u>-</u>	<u>1,067</u>
Assets, June 30, 2010	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>
Liabilities, July 1, 2009	\$ 7,915	-	1,564	-	1,521
Increase	19,135	4,048	3,699	1,000	1,126
Decrease	<u>26,050</u>	<u>-</u>	<u>4,490</u>	<u>-</u>	<u>1,067</u>
Liabilities, June 30, 2010	\$ <u>1,000</u>	<u>4,048</u>	<u>773</u>	<u>1,000</u>	<u>1,580</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST

Schedule of Changes in Assets and Liabilities -
Agency Funds

<u>Second Grade</u>	<u>Third Grade</u>	<u>Fourth Grade</u>	<u>Fifth Grade</u>	<u>Sixth Grade</u>	<u>Total</u>
1,400	2,468	1,917	919	1,351	19,055
1,012	1,734	2,144	1,814	350	36,062
<u>1,434</u>	<u>2,836</u>	<u>1,321</u>	<u>1,795</u>	<u>700</u>	<u>39,693</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>
1,400	2,468	1,917	919	1,351	19,055
1,012	1,734	2,144	1,814	350	36,062
<u>1,434</u>	<u>2,836</u>	<u>1,321</u>	<u>1,795</u>	<u>700</u>	<u>39,693</u>
<u>978</u>	<u>1,366</u>	<u>2,740</u>	<u>938</u>	<u>1,001</u>	<u>15,424</u>

THE INTERNATIONAL SCHOOL AT MESA DEL SOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 114,799
Due from other governments	-
Prepaid expenses	-
Other assets	-
TOTAL CURRENT ASSETS	114,799
NON-CURRENT ASSETS:	
Capital assets	66,946
Less accumulated depreciation	(7,759)
TOTAL NON-CURRENT ASSETS	59,187
TOTAL ASSETS	\$ 173,986
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 53,051
Accrued payroll	23,341
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities	-
TOTAL CURRENT LIABILITIES	76,392
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	76,392
NET ASSETS:	
Invested in capital assets	59,187
Restricted	69,541
Unrestricted	(31,134)
TOTAL NET ASSETS	97,594
TOTAL LIABILITIES AND NET ASSETS	\$ 173,986

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 478,550	19,277	154,904	-	(304,369)
Support services:					
Students	22,376	-	-	-	(22,376)
Instruction	-	-	-	-	-
General administration	76,514	-	-	-	(76,514)
School administration	400,213	-	-	-	(400,213)
Central Services	51,763	-	-	-	(51,763)
Operation and maintenance of plant	143,760	-	-	-	(143,760)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	10,014	10,299	-	-	285
Community services operations	15,112	-	-	-	(15,112)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,198,302	29,576	154,904	-	(1,013,822)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					479,882
Miscellaneous					85,716
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					565,598
CHANGE IN NET ASSETS					(448,224)
NET ASSETS, BEGINNING OF YEAR					545,818
NET ASSETS, END OF YEAR					\$ 97,594

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - Food Services</u>	<u>CS - Non-Instructional Support</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 45,123	9,880	2,564	4,097	39	81
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
TOTAL ASSETS	\$ 45,123	9,880	2,564	4,097	39	81
LIABILITIES AND FUND BALANCES:						
CURRENT LIABILITIES:						
Accounts payable	\$ 53,051	-	-	-	-	-
Accrued payroll	23,206	-	-	-	39	81
Due to other funds	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
TOTAL LIABILITIES	76,257	-	-	-	39	81
FUND BALANCES:						
Reserved	-	9,880	2,564	4,097	-	-
Unreserved	(31,134)	-	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	(31,134)	9,880	2,564	4,097	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 45,123	9,880	2,564	4,097	39	81

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Balance Sheet - Governmental Funds

<u>CS - Charter Schools</u>	<u>CS - Teacher/Principal Training & Recruiting</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Daniels Fund</u>	<u>CS - Charter School Planning</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
-	-	15	-	53,000	-	-	114,799
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>53,000</u>	<u>-</u>	<u>-</u>	<u>114,799</u>
-	-	-	-	-	-	-	53,051
-	-	15	-	-	-	-	23,341
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	15	-	-	-	-	76,392
-	-	-	-	53,000	-	-	69,541
-	-	-	-	-	-	-	(31,134)
-	-	-	-	53,000	-	-	38,407
-	-	15	-	53,000	-	-	114,799

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ <u>38,407</u>
------------------------------------------------------------------------------	------------------

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

Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	66,946
Accumulated depreciation	<u>(7,759)</u>
Total capital assets	<u>59,187</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>97,594</u></u>

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - Food Services	CS - Non-Instructional Support	CS - T - I	CS - ID - B
REVENUES:						
Federal revenue	\$ -	-	-	-	16,312	13,179
State revenue	479,882	17,996	-	-	-	-
Other revenue	<u>20,002</u>	<u>-</u>	<u>10,299</u>	<u>10,718</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	499,884	17,996	10,299	10,718	16,312	13,179
EXPENDITURES:						
Current:						
Instruction	230,512	8,116	-	6,621	11,174	13,179
Support services:						
Students	9,427	-	-	-	2,691	-
Instruction	-	-	-	-	-	-
General administration	26,499	-	-	-	-	-
School administration	130,082	-	-	-	2,447	-
Central Services	4,173	-	-	-	-	-
Operation and maintenance of plant	46,157	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Operation of non-instructional services:						
Food services operations	2,279	-	7,735	-	-	-
Community services operations	15,112	-	-	-	-	-
Capital outlay	<u>66,946</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>531,187</u>	<u>8,116</u>	<u>7,735</u>	<u>6,621</u>	<u>16,312</u>	<u>13,179</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(31,303)	9,880	2,564	4,097	-	-
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>(31,303)</u>	<u>9,880</u>	<u>2,564</u>	<u>4,097</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	\$ <u>(31,134)</u>	<u>9,880</u>	<u>2,564</u>	<u>4,097</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

CS - Charter Schools	CS - Teacher/Principal Training & Recruiting	CS - T - I Federal Stimulus	CS - State Equalization Guarantee	CS - Daniels Fund	CS - Charter School (Planning)	CS - Public School Capital Outlay	Total Primary Government
-	298	14,473	47,714	-	-	-	91,976
-	-	-	-	-	-	44,932	542,810
-	-	-	21,273	53,000	-	-	115,292
-	298	14,473	68,987	53,000	-	44,932	750,078
191,616	298	14,473	2,561	-	-	-	478,550
10,258	-	-	-	-	-	-	22,376
-	-	-	-	-	-	-	-
50,015	-	-	-	-	-	-	76,514
236,192	-	-	-	-	31,492	-	400,213
16,153	-	-	16,012	-	9,923	-	46,261
-	-	-	50,414	-	-	44,932	141,503
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	10,014
-	-	-	-	-	-	-	15,112
-	-	-	-	-	-	-	66,946
<u>504,234</u>	<u>298</u>	<u>14,473</u>	<u>68,987</u>	<u>-</u>	<u>41,415</u>	<u>44,932</u>	<u>1,257,489</u>
(504,234)	-	-	-	53,000	(41,415)	-	(507,411)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(504,234)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,000</u>	<u>(41,415)</u>	<u>-</u>	<u>(507,411)</u>
<u>504,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,415</u>	<u>-</u>	<u>545,818</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,000</u>	<u>-</u>	<u>-</u>	<u>38,407</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	635,120	479,882	479,882	-
Other revenue	-	22,000	20,002	(1,998)
TOTAL REVENUES	635,120	501,882	499,884	(1,998)
EXPENDITURES:				
Instruction	311,655	232,734	234,105	(1,371)
Support services	323,465	247,148	266,390	(19,242)
Operation of non-instructional services	-	22,000	17,391	4,609
TOTAL EXPENDITURES	635,120	501,882	517,886	(16,004)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(18,002)	(18,002)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	169	169
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(17,833)	(17,833)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (18,002)	
Adjustments to revenues			(13,301)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (31,303)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	15,116	17,996	17,996	-
Other revenue	-	-	-	-
TOTAL REVENUES	15,116	17,996	17,996	-
EXPENDITURES:				
Instruction	15,116	17,996	8,116	9,880
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	15,116	17,996	8,116	9,880
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	9,880	9,880
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	9,880	9,880
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 9,880	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 9,880	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - FOOD SERVICES			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	11,000	10,299	(701)
TOTAL REVENUES	-	11,000	10,299	(701)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	11,000	7,735	3,265
TOTAL EXPENDITURES	-	11,000	7,735	3,265
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	2,564	2,564
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	2,564	2,564
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 2,564	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 2,564	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - NON-INSTRUCTIONAL SUPPORT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	11,000	10,718	(282)
TOTAL REVENUES	-	11,000	10,718	(282)
EXPENDITURES:				
Instruction	-	11,000	6,621	4,379
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	11,000	6,621	4,379
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,097	4,097
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	4,097	4,097
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 4,097	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,097	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	16,312	16,312	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	16,312	16,312	-
EXPENDITURES:				
Instruction	-	11,174	11,174	-
Support services	-	5,138	5,138	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	16,312	16,312	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	13,179	13,179	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	13,179	13,179	-
EXPENDITURES:				
Instruction	-	13,179	13,179	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	13,179	13,179	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	542,179	504,234	(37,945)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	542,179	504,234	(37,945)
EXPENDITURES:				
Instruction	-	472,098	191,616	280,482
Support services	-	70,081	350,562	(280,481)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	542,179	542,178	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(37,944)	(37,944)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	504,234	504,234
CASH OR FUND BALANCE, END OF YEAR \$	-	-	466,290	466,290
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (37,944)	
Adjustments to revenues			(504,234)	
Adjustments to expenditures			37,944	
NET CHANGE IN FUND BALANCE			\$ (504,234)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/PRINCIPLE TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	3,031	298	(2,733)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,031	298	(2,733)
EXPENDITURES:				
Instruction	-	3,031	298	2,733
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,031	298	2,733
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	14,473	14,473	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	14,473	14,473	-
EXPENDITURES:				
Instruction	-	14,473	14,473	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	14,473	14,473	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 45,153	47,715	47,714	(1)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	45,153	47,715	47,714	(1)
EXPENDITURES:				
Instruction	-	2,562	2,561	1
Support services	45,153	45,153	45,153	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	45,153	47,715	47,714	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			21,273	
Adjustments to expenditures			(21,273)	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - DANIELS FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	53,000	53,000
TOTAL REVENUES	-	-	53,000	53,000
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	53,000	53,000
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	53,000	53,000
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 53,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 53,000	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL PLANNING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	41,415	41,415	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	41,415	41,415	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	41,415	41,415	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	41,415	41,415	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	41,415	41,415
CASH OR FUND BALANCE, END OF YEAR \$	-	-	41,415	41,415
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			(41,415)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (41,415)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	59,172	44,932	(14,240)
Other revenue	-	-	-	-
TOTAL REVENUES	-	59,172	44,932	(14,240)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	59,172	44,932	14,240
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	59,172	44,932	14,240
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
First Community Bank - Checking	\$ 5,605	3,864
NMB&T - Checking	<u>150,444</u>	<u>110,935</u>
Total Cash	\$ <u>156,049</u>	<u>114,799</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	11,918
ADD:	
2009-2010 revenues	\$ 750,078
Payables and others	38,448
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	800,444
LESS:	
2009-2010 expenditures	1,257,489
Receivables and others	(571,844)
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>114,799</u></u>

THE MASTERS PROGRAM

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Statement of Net Assets

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 8,898
Due from other governments	143,884
Prepaid expenses	5,123
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	157,905
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>157,905</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 72,945
Accrued payroll	-
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities -	<u>-</u>
TOTAL CURRENT LIABILITIES	72,945
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	\$ 72,945
NET ASSETS:	
Invested in capital assets	-
Restricted	76,062
Unrestricted	<u>8,898</u>
TOTAL NET ASSETS	<u>84,960</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>157,905</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 13,151	-	271,038	-	257,887
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	163,879	-	-	-	(163,879)
School administration	566	-	-	-	(566)
Central Services	18,482	-	-	-	(18,482)
Operation and maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>196,078</u>	<u>-</u>	<u>271,038</u>	<u>-</u>	74,960
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					10,000
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>10,000</u>
CHANGE IN NET ASSETS					84,960
NET ASSETS, BEGINNING OF YEAR					<u>-</u>
NET ASSETS, END OF YEAR					\$ <u>84,960</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter School (Federal Grant)</u>	<u>Total Primary Government</u>
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 8,898	-	8,898
Due from other governments	-	143,884	143,884
Due from other funds	-	-	-
Prepaid expenses	-	5,123	5,123
Other assets	-	-	-
TOTAL ASSETS	\$ <u>8,898</u>	<u>149,007</u>	<u>157,905</u>
LIABILITIES AND FUND BALANCES:			
CURRENT LIABILITIES:			
Accounts payable	\$ -	72,945	72,945
Accrued payroll	-	-	-
Due to other funds	-	-	-
Deferred Revenue	-	70,939	70,939
TOTAL LIABILITIES	-	143,884	143,884
FUND BALANCES:			
Reserved	-	5,123	5,123
Unreserved	<u>8,898</u>	<u>-</u>	<u>8,898</u>
TOTAL FUND BALANCES (DEFICIT)	<u>8,898</u>	<u>5,123</u>	<u>14,021</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>8,898</u>	<u>149,007</u>	<u>157,905</u>

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM**

**Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets**

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 14,021
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.	70,939
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Net assets of governmental activities (Statement of Net Assets)	\$ <u>84,960</u>
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STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter School (Federal Grant)</u>	<u>Total Primary Government</u>
REVENUES:			
Federal revenue	\$ -	200,099	200,099
State revenue	-	-	-
Other revenue	<u>10,000</u>	<u>-</u>	<u>10,000</u>
TOTAL REVENUES	10,000	200,099	210,099
EXPENDITURES:			
Current:			
Instruction	-	13,151	13,151
Support services:			
Students	-	-	-
Instruction	-	-	-
General administration	1,102	162,777	163,879
School administration	-	566	566
Central Services	-	18,482	18,482
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Operation of non-instructional services:			
Food services operations	-	-	-
Community services operations	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,102</u>	<u>194,976</u>	<u>196,078</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,898	5,123	14,021
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	<u>8,898</u>	<u>5,123</u>	<u>14,021</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	\$ <u>8,898</u>	<u>5,123</u>	<u>14,021</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 14,021
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Amounts reported for governmental activities in the Statement of Activities are different because:

In prior year revenue was received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and was recorded as revenue in the accrual basis Statement of Net Assets and Activities.	70,939
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Change in net assets of governmental activities (Statement of Activities)	\$ <u>84,960</u>
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STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	10,000	10,000
TOTAL REVENUES	-	-	10,000	10,000
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	1,102	(1,102)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	1,102	(1,102)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	8,898	8,898
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	8,898	8,898
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 8,898	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 8,898	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL - (FEDERAL GRANT)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	516,800	56,215	(460,585)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	516,800	56,215	(460,585)
EXPENDITURES:				
Instruction	-	347,800	10,795	337,005
Support services	-	169,000	111,236	57,764
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	516,800	122,031	394,769
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(65,816)	(65,816)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(65,816)	(65,816)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (65,816)	
Adjustments to revenues			143,884	
Adjustments to expenditures			(72,945)	
NET CHANGE IN FUND BALANCE			\$ 5,123	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>8,898</u>	<u>8,898</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	
2009-2010 revenues	210,099
Payables and other	143,884
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	353,983
LESS:	
2009-2010 expenditures	196,078
Receivables and other	149,007
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>8,898</u></u>

MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities	Component Unit
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 276,146	4,590
Due from other governments	90,042	-
Prepaid expenses	-	-
Other assets	-	-
TOTAL CURRENT ASSETS	366,188	4,590
NON-CURRENT ASSETS:		
Capital assets	1,624,962	-
Less accumulated depreciation	(34,051)	-
TOTAL NON-CURRENT ASSETS	1,590,911	-
TOTAL ASSETS	\$ 1,957,099	4,590
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ 11,810	-
Accrued payroll	81,390	-
Due to other funds	-	-
Compensated absences - due within one year	-	-
Current portion of capital lease - due within one year	91,314	-
TOTAL CURRENT LIABILITIES	184,514	-
NON-CURRENT LIABILITIES		
Non-current portion of capital lease - due in more than one year	989,466	-
TOTAL LIABILITIES	\$ 1,173,980	-
NET ASSETS:		
Invested in capital assets, net of related debt	510,131	-
Restricted	21,585	4,590
Unrestricted	251,403	-
TOTAL NET ASSETS	783,119	4,590
TOTAL LIABILITIES AND NET ASSETS	\$ 1,957,099	4,590

See Independent Auditors' Report and Notes to Financial Statements.

IV-149

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets	Component Unit
GOVERNMENTAL ACTIVITIES:						
Instruction	\$ 1,074,070	46,130	299,043	-	(728,897)	-
Support services:						
Students	228,547	-	-	-	(228,547)	-
Instruction	-	-	-	-	-	-
General administration	52,372	-	-	-	(52,372)	(361)
School administration	246,992	-	-	-	(246,992)	-
Central Services	69,632	-	-	-	(69,632)	-
Operation and maintenance of plant	231,325	-	-	-	(231,325)	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Interest	62,839	-	-	-	(62,839)	-
Operation of non-instructional services:						
Food services operations	26,168	-	-	-	(26,168)	-
Community services operations	-	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES & COMPONENT UNIT	\$ 1,991,945	46,130	299,043	-	(1,646,772)	(361)
GENERAL REVENUES AND TRANSFERS:						
State equalization guarantee					1,731,995	
Miscellaneous					15,631	172
Gain (Loss) on disposal of capital assets					-	
Transfers in					325,000	
Transfers out					-	-
TOTAL GENERAL REVENUES AND TRANSFERS					2,072,626	172
CHANGE IN NET ASSETS					425,854	(189)
NET ASSETS, BEGINNING OF YEAR					357,265	-
RESTATEMENT					-	4,779
NET ASSETS, BEGINNING OF YEAR, RESTATED					357,265	4,779
NET ASSETS, END OF YEAR					\$ 783,119	4,590

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - ID - B "Risk Pool"</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 254,561	10,743	-	-	-
Due from other governments	-	-	16,568	13,348	19,278
Due from other funds	83,537	-	-	-	-
Prepaid expenses	-	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ 338,098	10,743	16,568	13,348	19,278
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 11,810	-	-	-	-
Accrued payroll	74,885	-	4,256	-	-
Due to other funds	-	-	12,312	13,348	19,278
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	86,695	-	16,568	13,348	19,278
FUND BALANCES:					
Reserved	-	10,743	-	-	-
Unreserved	251,403	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	251,403	10,743	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 338,098	10,743	16,568	13,348	19,278

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Balance Sheet - Governmental Funds

<u>CS - Charter Schools</u>	<u>CS - Teacher/Principal Training & Recruiting</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Charter School Planning</u>	<u>CS - Begin Teacher Mentoring Program</u>
-	-	-	-	-	50	792
-	11,789	-	5,198	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>11,789</u>	<u>-</u>	<u>5,198</u>	<u>-</u>	<u>50</u>	<u>792</u>
-	-	-	-	-	-	-
-	-	-	2,249	-	-	-
-	11,789	-	2,949	-	-	-
-	-	-	-	-	-	-
-	11,789	-	5,198	-	-	-
-	-	-	-	-	50	792
-	-	-	-	-	-	-
-	-	-	-	-	50	792
-	<u>11,789</u>	<u>-</u>	<u>5,198</u>	<u>-</u>	<u>50</u>	<u>792</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	<u>CS - McCune</u>	<u>CS - Public School Capital Outlay</u>	<u>CS - Capital Improvement</u>	<u>Total Primary Government</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 10,000	-	-	276,146
Due from other governments	-	21,560	2,301	90,042
Due from other funds	-	-	-	83,537
Prepaid expenses	-	-	-	-
Other assets	-	-	-	-
TOTAL ASSETS	\$ 10,000	21,560	2,301	449,725
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	-	-	11,810
Accrued payroll	-	-	-	81,390
Due to other funds	-	21,560	2,301	83,537
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	-	21,560	2,301	176,737
FUND BALANCES:				
Reserved	10,000	-	-	21,585
Unreserved	-	-	-	251,403
TOTAL FUND BALANCES (DEFICIT)	10,000	-	-	272,988
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,000	21,560	2,301	449,725

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 272,988

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

Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the funds. These assets consist of:

Capital assets	1,624,962
Accumulated depreciation	<u>(34,051)</u>
Total capital assets	<u>1,590,911</u>

Long-term liabilities are not due and payable in the current period and,
therefore, are not reported in the funds.

Capital leases	<u>(1,080,780)</u>
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Net assets of governmental activities (Statement of Net Assets) \$ 783,119

YEAR ENDED JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - ID - B "Risk Pool"</u>
REVENUES:					
Federal revenue	\$ -	-	35,132	31,342	19,278
State revenue	1,731,995	16,884	-	-	-
Other revenue	<u>51,761</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	1,783,756	16,884	35,132	31,342	19,278
EXPENDITURES:					
Current:					
Instruction	935,073	43,718	-	14,854	11,883
Support services:					
Students	162,867	-	31,142	9,186	7,395
Instruction	-	-	-	-	-
General administration	27,668	-	-	-	-
School administration	238,004	-	-	-	-
Central Services	67,615	-	-	-	-
Operation and maintenance of plant	90,849	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Interest-capital lease	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	26,168	-	-	-	-
Community services operations	-	-	-	-	-
Capital outlay	<u>1,291,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>2,840,045</u>	<u>43,718</u>	<u>31,142</u>	<u>24,040</u>	<u>19,278</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,056,289)	(26,834)	3,990	7,302	-
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources - capital lease	<u>1,140,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	1,140,773	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>84,484</u>	<u>(26,834)</u>	<u>3,990</u>	<u>7,302</u>	<u>-</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>166,919</u>	<u>37,577</u>	<u>(3,990)</u>	<u>(7,302)</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>251,403</u>	<u>10,743</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Begin Teacher Mentoring Program	CS - McCune	CS - Public School Capital Outlay	CS - Capital Improvement	Total Primary Government
REVENUES:					
Federal revenue	\$ -	-	-	2,301	356,204
State revenue	12,814	-	86,240	-	1,847,933
Other revenue	-	10,000	-	-	61,761
TOTAL REVENUES	12,814	10,000	86,240	2,301	2,265,898
EXPENDITURES:					
Current:					
Instruction	12,022	-	-	-	1,074,070
Support services:					
Students	-	-	-	-	228,547
Instruction	-	-	-	-	-
General administration	-	-	-	-	52,372
School administration	-	-	-	-	246,992
Central Services	-	-	-	-	67,615
Operation and maintenance of plant	-	-	86,240	2,301	259,428
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Interest-capital lease	-	-	-	-	62,839
Operation of non-instructional services:					
Food services operations	-	-	-	-	26,168
Community services operations	-	-	-	-	-
Capital outlay	-	-	325,000	-	1,616,801
TOTAL EXPENDITURES	12,022	-	411,240	2,301	3,634,832
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	792	10,000	(325,000)	-	(1,368,934)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	325,000	-	325,000
Transfers out	-	-	-	-	-
Other financing sources - capital lease	-	-	-	-	1,140,773
TOTAL OTHER FINANCING SOURCES (USES)	-	-	325,000	-	1,465,773
NET CHANGE IN FUND BALANCE	792	10,000	-	-	96,839
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-	176,149
FUND BALANCES (DEFICIT), END OF YEAR \$	792	10,000	-	-	272,988

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL**

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities**

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds		\$	
(Statement of Revenues, Expenditures, and Changes in Fund Balances)			96,839

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

In prior year revenue was received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund this was recorded as revenue in the current year and was recorded as revenue in the prior year in the accrual basis Statement of Net Assets and Activities.	(173,099)
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Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	1,616,801	
Depreciation expense	<u>(33,907)</u>	
Excess of capital outlay over depreciation expense		<u>1,582,894</u>

Capital assets acquired by capital leases are shown as an expenditure and other financing source in the governmental funds. The other financing source must be removed from the statement of activities; principal payments are applied to the lease liability.

Other financing source - capital lease	(1,140,773)	
Principal payments of capital lease	<u>59,993</u>	
		<u>(1,080,780)</u>

Change in net assets of governmental activities (Statement of Activities)		\$	<u>425,854</u>
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STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	1,787,225	1,731,995	1,731,995	-
Other revenue	-	-	51,761	51,761
TOTAL REVENUES	<u>1,787,225</u>	<u>1,731,995</u>	<u>1,783,756</u>	<u>51,761</u>
EXPENDITURES:				
Instruction	1,113,661	1,037,803	935,986	101,817
Support services	869,822	827,822	737,720	90,102
Operation of non-instructional services	5,000	47,000	27,466	19,534
TOTAL EXPENDITURES	<u>1,988,483</u>	<u>1,912,625</u>	<u>1,701,172</u>	<u>211,453</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(201,258)	(180,630)	82,584	263,214
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>77,694</u>	<u>77,694</u>	<u>166,919</u>	<u>89,225</u>
CASH OR FUND BALANCE, END OF YEAR	<u><u>\$ (123,564)</u></u>	<u><u>(102,936)</u></u>	<u><u>249,503</u></u>	<u><u>352,439</u></u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 82,584	
Adjustments to revenues			-	
Adjustments to expenditures			<u>1,900</u>	
NET CHANGE IN FUND BALANCE			<u><u>\$ 84,484</u></u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	3,930	16,884	16,884	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>3,930</u>	<u>16,884</u>	<u>16,884</u>	<u>-</u>
EXPENDITURES:				
Instruction	3,930	54,461	43,718	10,743
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>3,930</u>	<u>54,461</u>	<u>43,718</u>	<u>10,743</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(37,577)	(26,834)	10,743
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	<u>37,577</u>	<u>37,577</u>	-
CASH OR FUND BALANCE, END OF YEAR	\$ <u>-</u>	<u>-</u>	<u>10,743</u>	<u>10,743</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (26,834)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ <u>(26,834)</u>	

* Refer to Volume I, Note 20 for deficit fund balance disclosure.

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 28,036	31,142	22,554	(8,588)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	28,036	31,142	22,554	(8,588)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	28,036	31,142	31,142	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	28,036	31,142	31,142	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(8,588)	(8,588)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(3,990)	(3,990)
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(12,578)	(12,578)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (8,588)	
Adjustments to revenues			12,578	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,990	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	32,341	17,994	(14,347)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	32,341	17,994	(14,347)
EXPENDITURES:				
Instruction	-	14,963	14,854	109
Support services	-	17,378	16,488	890
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	32,341	31,342	999
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(13,348)	(13,348)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(7,302)	(7,302)
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(20,650)	(20,650)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (13,348)	
Adjustments to revenues			13,348	
Adjustments to expenditures			7,302	
NET CHANGE IN FUND BALANCE			\$ 7,302	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B "RISK POOL"			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	19,278	-	(19,278)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	19,278	-	(19,278)
EXPENDITURES:				
Instruction	-	11,883	11,883	-
Support services	-	7,395	7,395	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	19,278	19,278	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(19,278)	(19,278)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(19,278)	(19,278)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (19,278)	
Adjustments to revenues			19,278	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	119,045	119,045	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	119,045	119,045	-
EXPENDITURES:				
Instruction	-	119,045	119,045	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	119,045	119,045	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(17,105)	(17,105)
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(17,105)	(17,105)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			(71,933)	
Adjustments to expenditures			89,038	
NET CHANGE IN FUND BALANCE			\$ 17,105	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - TEACHER/PRINCIPAL TRAINING & RECRUITING				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 4,798	13,059	11,789	(1,270)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	4,798	13,059	11,789	(1,270)
EXPENDITURES:				
Instruction	4,798	13,059	11,789	1,270
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	4,798	13,059	11,789	1,270
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 12,046	27,629	27,627	(2)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	12,046	27,629	27,627	(2)
EXPENDITURES:				
Instruction	12,046	14,725	14,724	1
Support services	-	12,904	12,903	1
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	12,046	27,629	27,627	2
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	14,042	8,844	(5,198)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	14,042	8,844	(5,198)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	14,042	14,042	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	14,042	14,042	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,198)	(5,198)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(5,198)	(5,198)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (5,198)	
Adjustments to revenues			5,198	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - STATE EQUALIZATION GUARANTEE				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 76,414	167,582	167,581	(1)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	76,414	167,582	167,581	(1)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	76,414	167,582	167,581	1
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	76,414	167,582	167,581	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - CHARTER SCHOOL PLANNING

	<u>Budgeted Amount</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	50	50
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	50	50
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - BEGINNING TEACHER MENTORING PROGRAM				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	12,814	12,814	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	12,814	12,814	-
EXPENDITURES:				
Instruction	-	12,814	12,022	792
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	12,814	12,022	792
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	792	(792)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	792	(792)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 792	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 792	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - McCune			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	10,000	10,000	-
TOTAL REVENUES	-	10,000	10,000	-
EXPENDITURES:				
Instruction	-	10,000	-	10,000
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	10,000	-	10,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	10,000	10,000
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	10,000	10,000
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 10,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 10,000	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - PUBLIC SCHOOL CAPITAL OUTLAY

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	86,240	64,680	(21,560)
Other revenue	-	-	-	-
TOTAL REVENUES	-	86,240	64,680	(21,560)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	86,240	86,240	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	86,240	86,240	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(21,560)	(21,560)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(21,560)	(21,560)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (21,560)	
Adjustments to revenues			21,560	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CAPITAL IMPROVEMENTS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	2,301	-	(2,301)
Other revenue	-	-	-	-
TOTAL REVENUES	-	2,301	-	(2,301)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	2,301	2,301	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	2,301	2,301	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,301)	(2,301)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(2,301)	(2,301)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (2,301)	
Adjustments to revenues			2,301	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
First Community Bank - Checking	\$ <u>306,815</u>	<u>276,146</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 115,321
ADD:	
2009-2010 revenues	3,731,499
Payables and other	(123,061)
Loans from other funds	<u>83,537</u>
TOTAL CASH AVAILABLE	3,807,296
LESS:	
2009-2010 expenditures	3,634,832
Receivables and other	(187,219)
Loan to other funds	<u>83,537</u>
CASH, June 30, 2010	\$ <u><u>276,146</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION
DEPARTMENT
Financial Statements for the
Year Ended June 30, 2010,
and Independent
Auditors' Report
Volume V of V

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume V



New Mexico State Authorized Chartered Schools Supplementary Information:
Notes and Findings V-2

Charter Schools Financial Statements:

The New America School:

Statement of Net Assets V-4
Statement of Activities V-5
Balance Sheet – Governmental Funds V-6 – V-8
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of
Net Assets V-9
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds V-10 – V-12
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities V-13
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget (Budgetary Basis) and Actual V-14 – V-27
Statement of Fiduciary Assets and Liabilities – Agency Fund V-28
Schedule of Cash and Temporary Investment Accounts V-29
Cash Reconciliation V-30
Schedule of Changes in Assets and Liabilities – Agency Fund V-31

New Mexico School for Architecture, Construction and Engineering:

Statement of Net Assets V-33
Statement of Activities V-34
Balance Sheet – Governmental Funds V-35
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets V-36
Statement of Revenues, Expenditures and Changes
in Fund Balances – Governmental Funds V-37
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities V-38
Statements of Revenues, Expenditures and Changes in
Fund Balance – Budget (Budgetary Basis) and Actual V-39 – V-42
Schedule of Cash and Temporary Investment Accounts V-43
Cash Reconciliation V-44

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

New Mexico School for the Arts:

Statement of Net Assets	V-46
Statement of Activities.....	V-47
Balance Sheet – Governmental Funds	V-48
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-49
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-50
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-51
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-52 – V-53
Schedule of Cash and Temporary Investment Accounts	V-54
Cash Reconciliation.....	V-55

North Valley Academy:

Statement of Net Assets	V-57
Statement of Activities.....	V-58
Balance Sheet – Governmental Funds	V-59 – V-61
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-62
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-63 – V-65
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-66
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-67 – V-86
Statement of Fiduciary Assets and Liabilities – Agency Funds	V-87
Schedule of Cash and Temporary Investment Accounts	V-88
Cash Reconciliation.....	V-89
Schedule of Changes in Assets and Liabilities – Agency Funds.....	V-90

School of Dreams Academy:

Statement of Net Assets	V-92
Statement of Activities.....	V-93
Balance Sheet – Governmental Funds	V-94 – V-95
Reconciliation of the Balance – Governmental Funds to the Statement of Net Assets.....	V-96

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

School of Dreams Academy - continued:

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-97 – V-98
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-99
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-100 – V-111
Statement of Fiduciary Assets and Liabilities – Agency Funds	V-112
Schedule of Cash and Temporary Investment Accounts	V-113
Cash Reconciliation.....	V-114
Schedule of Changes in Assets and Liabilities – Agency Funds.....	V-115

South Valley Preparatory School:

Statement of Net Assets	V-117
Statement of Activities.....	V-118
Balance Sheet.....	V-119
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-120
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-121
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-122
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-123 – V-125
Schedule of Cash and Temporary Investment Accounts	V-126
Cash Reconciliation.....	V-127

Taos Academy:

Statement of Net Assets	V-129
Statement of Activities.....	V-130
Balance Sheet – Governmental Funds	V-131 – V-133
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-134
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	V-135 – V-137
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-138

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Table of Contents – Volume V - continued

Charter Schools Financial Statements - continued:

Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-139 – V-154
Statement of Fiduciary Assets and Liabilities – Agency Funds.....	V-155
Schedule of Cash and Temporary Investment Accounts.....	V-156
Cash Reconciliation.....	V-157
Schedule of Changes in Assets and Liabilities – Agency Funds.....	V-158

Taos Integrated School of the Arts:

Statement of Net Assets.....	V-160
Statement of Activities.....	V-161
Balance Sheet – Governmental Funds.....	V-162
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-163
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	V-164
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-165
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-166 – V-168
Schedule of Cash and Temporary Investment Accounts.....	V-169
Cash Reconciliation.....	V-170

Tierra Adentro:

Statement of Net Assets.....	V-172
Statement of Activities.....	V-173
Balance Sheet – Governmental Funds.....	V-174
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets.....	V-175
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	V-176
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	V-177
Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Budgetary Basis) and Actual.....	V-178 – V-179
Schedule of Cash and Temporary Investment Accounts.....	V-180
Cash Reconciliation.....	V-181

**NEW MEXICO STATE AUTHORIZED CHARTERED
SCHOOLS SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT

Notes and Findings

For Charter Schools' Notes to the Financial Statements, see Volume I.

For Charter Schools' Schedule of Findings and Questioned Costs, refer to Volume I.

THE NEW AMERICA SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 336,484
Due from other governments	74,561
Prepaid expenses	6,524
Other assets	-
TOTAL CURRENT ASSETS	417,569
NON-CURRENT ASSETS:	
Capital assets	122,042
Less accumulated depreciation	(26,104)
TOTAL NON-CURRENT ASSETS	95,938
TOTAL ASSETS	\$ 513,507
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 15,948
Accrued payroll	96,091
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	112,039
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	112,039
NET ASSETS:	
Invested in capital assets	95,938
Restricted	46,099
Unrestricted	259,431
TOTAL NET ASSETS	401,468
TOTAL LIABILITIES AND NET ASSETS	\$ 513,507

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,007,463	1,018	401,000	-	(605,445)
Support services:					
Students	195,885	-	-	-	(195,885)
Instruction	32,256	-	-	-	(32,256)
General administration	110,538	-	-	-	(110,538)
School administration	317,364	-	-	-	(317,364)
Central Services	175,242	-	-	-	(175,242)
Operation and maintenance of plant	566,973	-	144,942	-	(422,031)
Student transportation	4,576	-	-	-	(4,576)
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	834	-	-	-	(834)
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 2,411,131	1,018	545,942	-	(1,864,171)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,796,005
Miscellaneous					-
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					1,796,005
CHANGE IN NET ASSETS					(68,166)
NET ASSETS, BEGINNING OF YEAR					469,634
NET ASSETS, END OF YEAR					\$ 401,468

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - Teacher/ Principal Training & Recruiting</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 289,882	46,099	-	-	18
Due from other governments	-	-	-	64,993	-
Due from other funds	68,728	-	-	-	-
Prepaid Expenses	6,524	-	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>365,134</u>	<u>46,099</u>	<u>-</u>	<u>64,993</u>	<u>18</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 15,948	-	-	-	-
Accrued payroll	78,216	-	-	16,207	18
Due to other funds	-	-	-	55,806	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	94,164	-	-	72,013	18
FUND BALANCES:					
Reserved	-	46,099	-	-	-
Unreserved	<u>270,970</u>	-	-	<u>(7,020)</u>	-
TOTAL FUND BALANCES (DEFICIT)	<u>270,970</u>	<u>46,099</u>	<u>-</u>	<u>(7,020)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>365,134</u>	<u>46,099</u>	<u>-</u>	<u>64,993</u>	<u>18</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Balance Sheet - Governmental Funds

<u>CS - Public Charter School</u>	<u>CS - English Language Acquisition</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - 2008 Student Library Fund</u>
-	-	-	92	-	-
-	8,000	-	-	-	1,568
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>8,000</u>	<u>-</u>	<u>92</u>	<u>-</u>	<u>1,568</u>
-	-	-	-	-	-
-	-	-	92	-	-
-	8,000	-	-	3,354	1,568
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	8,000	-	92	3,354	1,568
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,354)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,354)</u>	<u>-</u>
<u>-</u>	<u>8,000</u>	<u>-</u>	<u>92</u>	<u>-</u>	<u>1,568</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	CS - Charter Schools (Planning)	CS - Beginning Teacher Mentoring Program	CS - Public School Capital Outlay	Total Primary Government
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ -	393	-	336,484
Due from other governments	-	-	-	74,561
Due from other funds	-	-	-	68,728
Prepaid Expenses	-	-	-	6,524
Other assets	-	-	-	-
TOTAL ASSETS	\$ -	393	-	486,297
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	-	-	15,948
Accrued payroll	-	1,558	-	96,091
Due to other funds	-	-	-	68,728
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	-	1,558	-	180,767
FUND BALANCES:				
Reserved	-	-	-	46,099
Unreserved	-	(1,165)	-	259,431
TOTAL FUND BALANCES (DEFICIT)	-	(1,165)	-	305,530
TOTAL LIABILITIES AND FUND BALANCES	\$ -	393	-	486,297

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 305,530

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

Capital assets used in governmental activities are not financial resources and,
therefore, are not reported in the funds. These assets consist of:

Capital assets	122,042
Accumulated depreciation	<u>(26,104)</u>

Total capital assets	<u>95,938</u>
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Net assets of governmental activities (Statement of Net Assets)	\$ <u>401,468</u>
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YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - Teacher/ Principal Training & Recruiting	CS - T - I
REVENUES:				
Federal revenue	\$ -	-	-	92,953
State revenue	1,796,005	61,241	-	-
Other revenue	<u>1,018</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	1,797,023	61,241	-	92,953
EXPENDITURES:				
Current:				
Instruction	536,021	15,142	-	99,973
Support services:				
Students	91,355	-	-	-
Instruction	18,573	-	-	-
General administration	85,640	-	-	-
School administration	282,785	-	-	-
Central Services	150,847	-	-	-
Operation and maintenance of plant	302,728	-	-	-
Student transportation	4,033	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	834	-	-	-
Community services operations	-	-	-	-
Capital outlay	<u>54,042</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,526,858</u>	<u>15,142</u>	<u>-</u>	<u>99,973</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	270,165	46,099	-	(7,020)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>270,165</u>	<u>46,099</u>	<u>-</u>	<u>(7,020)</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>805</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	\$ <u>270,970</u>	<u>46,099</u>	<u>-</u>	<u>(7,020)</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Charter Schools (Planning)	CS - Beginning Teacher Mentoring Program	CS - Public School Capital Outlay	Total Primary Government
REVENUES:				
Federal revenue	\$ -	-	-	291,599
State revenue	36,456	2,136	144,942	2,050,348
Other revenue	-	-	-	1,018
TOTAL REVENUES	36,456	2,136	144,942	2,342,965
EXPENDITURES:				
Current:				
Instruction	10,000	3,301	-	984,796
Support services:				
Students	-	-	-	195,885
Instruction	-	-	-	32,256
General administration	7,931	-	-	110,538
School administration	-	-	-	317,364
Central Services	18,525	-	-	175,242
Operation and maintenance of plant	-	-	144,942	565,968
Student transportation	-	-	-	4,033
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	834
Community services operations	-	-	-	-
Capital outlay	-	-	-	54,042
TOTAL EXPENDITURES	36,456	3,301	144,942	2,440,958
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,165)	-	(97,993)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	(1,165)	-	(97,993)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	403,523
FUND BALANCES, END OF YEAR	\$ -	(1,165)	-	305,530

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds

(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (97,993)

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

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	54,042
Depreciation expense	<u>(24,215)</u>

Excess of capital outlay over depreciation expense	<u>29,827</u>
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Change in net assets of governmental activities (Statement of Activities)	\$ <u><u>(68,166)</u></u>
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STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	927,305	1,796,005	1,796,005	-
Other revenue	<u>1,000</u>	<u>1,000</u>	<u>1,018</u>	<u>18</u>
TOTAL REVENUES	<u>928,305</u>	<u>1,797,005</u>	<u>1,797,023</u>	<u>18</u>
EXPENDITURES:				
Instruction	479,589	665,205	534,129	131,076
Support services	448,716	1,126,800	983,543	143,257
Operation of non-instructional services	<u>-</u>	<u>5,000</u>	<u>834</u>	<u>4,166</u>
TOTAL EXPENDITURES	<u>928,305</u>	<u>1,797,005</u>	<u>1,518,506</u>	<u>278,499</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	278,517	278,517
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>805</u>	<u>805</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>279,322</u>	<u>279,322</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 278,517	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(8,352)</u>	
NET CHANGE IN FUND BALANCE			\$ <u>270,165</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	15,116	61,241	61,241	-
Other revenue	-	-	-	-
TOTAL REVENUES	15,116	61,241	61,241	-
EXPENDITURES:				
Instruction	15,116	61,241	15,142	46,099
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	15,116	61,241	15,142	46,099
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	46,099	46,099
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	46,099	46,099
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 46,099	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 46,099	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/ PRINCIPAL TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	13,712	-	(13,712)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	13,712	-	(13,712)
EXPENDITURES:				
Instruction	-	13,712	-	13,712
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	13,712	-	13,712
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 50,341	105,288	27,960	(77,328)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>50,341</u>	<u>105,288</u>	<u>27,960</u>	<u>(77,328)</u>
EXPENDITURES:				
Instruction	50,341	105,288	92,955	12,333
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>50,341</u>	<u>105,288</u>	<u>92,955</u>	<u>12,333</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(64,995)	(64,995)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	<u>(64,995)</u>	<u>(64,995)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (64,995)	
Adjustments to revenues			64,993	
Adjustments to expenditures			<u>(7,018)</u>	
NET CHANGE IN FUND BALANCE *			\$ <u>(7,020)</u>	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	14,642	2,924	(11,718)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	14,642	2,924	(11,718)
EXPENDITURES:				
Instruction	-	4,973	2,924	2,049
Support services	-	9,669	-	9,669
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	14,642	2,924	11,718
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC CHARTER SCHOOL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	798,339	349,156	(449,183)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	798,339	349,156	(449,183)
EXPENDITURES:				
Instruction	-	382,995	306,278	76,717
Support services	-	415,344	222,128	193,216
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	798,339	528,406	269,933
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(179,250)	(179,250)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	402,718	402,718
CASH OR FUND BALANCE, END OF YEAR \$	-	-	223,468	223,468
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (179,250)	
Adjustments to revenues			(279,119)	
Adjustments to expenditures			55,651	
NET CHANGE IN FUND BALANCE			\$ (402,718)	

* Ending fund balance as of June 30, 2010 is \$0

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ENGLISH LANGUAGE ACQUISITION			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -		-	-
State revenue	-	15,050	-	(15,050)
Other revenue	-	-	-	-
TOTAL REVENUES	-	15,050	-	(15,050)
EXPENDITURES:				
Instruction	-	14,000	8,000	6,000
Support services	-	1,050	-	1,050
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	15,050	8,000	7,050
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(8,000)	(8,000)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(8,000)	(8,000)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (8,000)	
Adjustments to revenues			8,000	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 22,438	93,414	24,047	(69,367)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	22,438	93,414	24,047	(69,367)
EXPENDITURES:				
Instruction	22,438	93,414	24,047	69,367
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	22,438	93,414	24,047	69,367
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	25,344	14,935	(10,409)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	25,344	14,935	(10,409)
EXPENDITURES:				
Instruction	-	25,344	14,935	10,409
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	25,344	14,935	10,409
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - STATE EQUALIZATION GUARANTEE

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 65,604	164,251	86,703	(77,548)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	65,604	164,251	86,703	(77,548)
EXPENDITURES:				
Instruction	-	70,000	-	70,000
Support services	65,604	94,251	90,057	4,194
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	65,604	164,251	90,057	74,194
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,354)	(3,354)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(3,354)	(3,354)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (3,354)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (3,354)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - 2008 STUDENT LIBRARY FUND				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	3,000	-	(3,000)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,000	-	(3,000)
EXPENDITURES:				
Instruction	-	3,000	1,568	1,432
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,000	1,568	1,432
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,568)	(1,568)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	(1,568)	(1,568)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			(1,568)	
Adjustments to revenues			1,568	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			-	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (PLANNING)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	36,456	36,456	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	36,456	36,456	-
EXPENDITURES:				
Instruction	-	10,000	10,000	-
Support services	-	26,456	26,456	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	36,456	36,456	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING PROGRAM			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	2,136	2,136	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	2,136	2,136	-
EXPENDITURES:				
Instruction	-	2,136	1,914	222
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	2,136	1,914	222
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	222	222
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	222	222
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 222	
Adjustments to revenues			-	
Adjustments to expenditures			(1,387)	
NET CHANGE IN FUND BALANCE *			\$ (1,165)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	144,942	144,942	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	144,942	144,942	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	144,942	144,942	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	144,942	144,942	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Student Activity Fund</u>
ASSETS:	
Cash and cash equivalents	\$ <u>300</u>
TOTAL ASSETS	\$ <u><u>300</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>300</u>
TOTAL LIABILITIES	\$ <u><u>300</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>427,956</u>	<u>336,484</u>
Wells Fargo Bank - Checking (Agency)	\$ <u>300</u>	<u>300</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 449,988
ADD:	
2009-2010 revenues	2,342,965
Payables and other	(213,545)
Loans from other funds	<u>68,728</u>
TOTAL CASH AVAILABLE	2,648,136
LESS:	
2009-2010 expenditures	2,440,958
Receivables and other	(198,034)
Loan to other funds	<u>68,728</u>
CASH, June 30, 2010	\$ <u>336,484</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
THE NEW AMERICA SCHOOL

Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010	Student Activity Fund
	<hr/>
Assets, July 1, 2009	\$ -
Increase	300
Decrease	<hr/> -
Assets, June 30, 2010	\$ <u>300</u>
Liabilities, July 1, 2009	\$ -
Increase	300
Decrease	<hr/> -
Liabilities, June 30, 2010	\$ <u>300</u>

**NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING**

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 NEW MEXICO SCHOOL FOR ARCHITECTURE,
 CONSTRUCTION AND ENGINEERING

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 57,625
Due from other governments	-
Prepaid expenses	11,221
Other assets	-
TOTAL CURRENT ASSETS	68,846
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	-
TOTAL NON-CURRENT ASSETS	-
TOTAL ASSETS	\$ <u>68,846</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 27,607
Accrued payroll	-
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	27,607
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	\$ 27,607
NET ASSETS:	
Invested in capital assets	-
Restricted	41,239
Unrestricted	-
TOTAL NET ASSETS	41,239
TOTAL LIABILITIES AND NET ASSETS	\$ <u>68,846</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Statement of Activities

YEAR ENDED JUNE 30, 2010

		<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES:						
Instruction	\$	29,894	-	222,986	-	193,092
Support services:						
Students		150	-	-	-	(150)
Instruction		129,280	-	-	-	(129,280)
General administration		10,729	-	-	-	(10,729)
School administration		845	-	-	-	(845)
Central Services		20,876	-	-	-	(20,876)
Operation and maintenance of plant		8,950	-	-	-	(8,950)
Student transportation		-	-	-	-	-
Other support services		-	-	-	-	-
Operation of non-instructional services:						
Food services operations		-	-	-	-	-
Community services operations		-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$	<u>200,724</u>	<u>-</u>	<u>222,986</u>	<u>-</u>	22,262
GENERAL REVENUES AND TRANSFERS:						
State equalization guarantee						-
Miscellaneous						18,977
Gain (Loss) on disposal of capital assets						-
Transfers in						-
Transfers out						-
TOTAL GENERAL REVENUES AND TRANSFERS						<u>18,977</u>
CHANGE IN NET ASSETS						41,239
NET ASSETS, BEGINNING						<u>-</u>
NET ASSETS, ENDING						\$ <u>41,239</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter Schools</u>	<u>CS - Daniels Fund</u>	<u>CS - Public Charter School Planning</u>	<u>Total Primary Government</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ -	44,218	10,000	3,407	57,625
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	11,221	-	-	11,221
TOTAL ASSETS	\$ -	55,439	10,000	3,407	68,846
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	27,607	-	-	27,607
Accrued payroll	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	-	27,607	-	-	27,607
FUND BALANCES:					
Reserved	-	27,832	10,000	3,407	41,239
Unreserved	-	-	-	-	-
TOTAL FUND BALANCES (DEFICIT)	-	27,832	10,000	3,407	41,239
TOTAL LIABILITIES AND FUND BALANCES	\$ -	55,439	10,000	3,407	68,846

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>41,239</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>41,239</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Charter Schools	CS - Daniels Fund	CS - Public Charter School Planning	Total Primary Government
REVENUES:					
Federal revenue	\$ -	219,579	-	-	219,579
State revenue	-	-	-	3,407	3,407
Other revenue	<u>8,977</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>18,977</u>
TOTAL REVENUES	8,977	219,579	10,000	3,407	241,963
EXPENDITURES:					
Current:					
Instruction	-	29,894	-	-	29,894
Support services:					
Students	-	150	-	-	150
Instruction	-	129,280	-	-	129,280
General administration	8,977	1,752	-	-	10,729
School administration	-	845	-	-	845
Central Services	-	20,876	-	-	20,876
Operation and maintenance of plant	-	8,950	-	-	8,950
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>8,977</u>	<u>191,747</u>	<u>-</u>	<u>-</u>	<u>200,724</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	27,832	10,000	3,407	41,239
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>27,832</u>	<u>10,000</u>	<u>3,407</u>	<u>41,239</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>-</u>	<u>27,832</u>	<u>10,000</u>	<u>3,407</u>	<u>41,239</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>41,239</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u><u>41,239</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	8,977	8,977
TOTAL REVENUES	-	-	8,977	8,977
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	8,977	(8,977)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	8,977	(8,977)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			-	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			-	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	580,800	219,579	(361,221)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	580,800	219,579	(361,221)
EXPENDITURES:				
Instruction	-	115,550	29,894	85,656
Support services	-	465,250	189,460	275,790
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	580,800	219,354	361,446
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	225	225
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	225	225
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 225	
Adjustments to revenues			-	
Adjustments to expenditures			27,607	
NET CHANGE IN FUND BALANCE			\$ 27,832	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
 NEW MEXICO SCHOOL FOR ARCHITECTURE,
 CONSTRUCTION AND ENGINEERING

Statements of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - DANIELS FUND			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	10,000	10,000
TOTAL REVENUES	-	-	10,000	10,000
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	10,000	10,000
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	10,000	10,000
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 10,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 10,000	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - PUBLIC CHARTER SCHOOL PLANNING

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,407	-	3,407
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,407	3,407
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	3,407	3,407
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 3,407	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

* Refer to page I-222 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>23,804</u>	<u>57,625</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR ARCHITECTURE,
CONSTRUCTION AND ENGINEERING

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	-
2009-2010 revenues	241,963
Payables and other	27,607
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	269,570
LESS:	
2009-2010 expenditures	200,724
Receivables and other	11,221
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>57,625</u></u>

NEW MEXICO SCHOOL FOR THE ARTS

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Statement of Net Assets

AS OF JUNE 30, 2010

	Governmental Activities
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 14,112
Due from other governments	-
Prepaid expenses	38,495
Other assets	12,500
TOTAL CURRENT ASSETS	65,107
NON-CURRENT ASSETS:	
Capital assets	51,758
Less accumulated depreciation	(975)
TOTAL NON-CURRENT ASSETS	50,783
TOTAL ASSETS	\$ 115,890
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 68,175
Accrued payroll	-
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	-
TOTAL CURRENT LIABILITIES	68,175
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	-
TOTAL LIABILITIES	\$ 68,175
NET ASSETS:	
Invested in capital assets	50,783
Restricted	-
Unrestricted	(3,068)
TOTAL NET ASSETS	47,715
TOTAL LIABILITIES AND NET ASSETS	\$ 115,890

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 33,905	-	528,100	-	494,195
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	14,621	-	-	-	(14,621)
School administration	407,409	-	-	-	(407,409)
Central Services	44,506	-	-	-	(44,506)
Operation and maintenance of plant	59,674	-	-	-	(59,674)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 560,115	-	528,100	-	(32,015)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					79,730
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					79,730
CHANGE IN NET ASSETS					47,715
NET ASSETS, BEGINNING OF YEAR					-
NET ASSETS, END OF YEAR					\$ 47,715

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	CS - Operational	CS - Charter Schools Planning	Total Primary Government
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 14,112	-	14,112
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenses	-	38,495	38,495
Other assets	12,500	-	12,500
TOTAL ASSETS	\$ 26,612	38,495	65,107
LIABILITIES AND FUND BALANCES:			
CURRENT LIABILITIES:			
Accounts payable	\$ 68,175	-	68,175
Accrued payroll	-	-	-
Due to other funds	-	-	-
Deferred Revenue	-	-	-
TOTAL LIABILITIES	68,175	-	68,175
FUND BALANCES:			
Reserved	-	38,495	38,495
Unreserved	(41,563)	-	(41,563)
TOTAL FUND BALANCES (DEFICIT)	(41,563)	38,495	(3,068)
TOTAL LIABILITIES AND FUND BALANCES	\$ 26,612	38,495	65,107

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ (3,068)
------------------------------------------------------------------------------	------------

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	51,758
Accumulated depreciation	<u>(975)</u>
Total capital assets	<u>50,783</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>47,715</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter Schools Planning</u>	<u>Total Primary Government</u>
REVENUES:			
Federal revenue	\$ -	-	-
State revenue	-	528,100	528,100
Other revenue	<u>79,730</u>	<u>-</u>	<u>79,730</u>
TOTAL REVENUES	79,730	528,100	607,830
EXPENDITURES:			
Current:			
Instruction	14,664	18,804	33,468
Support services:			
Students	-	-	-
Instruction	-	-	-
General administration	265	14,356	14,621
School administration	34,328	373,081	407,409
Central Services	21,130	23,376	44,506
Operation and maintenance of plant	50,906	8,230	59,136
Student transportation	-	-	-
Other support services	-	-	-
Operation of non-instructional services:			
Food services operations	-	-	-
Community services operations	-	-	-
Capital outlay	<u>-</u>	<u>51,758</u>	<u>51,758</u>
TOTAL EXPENDITURES	<u>121,293</u>	<u>489,605</u>	<u>610,898</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(41,563)	38,495	(3,068)
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	<u>(41,563)</u>	<u>38,495</u>	<u>(3,068)</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>(41,563)</u>	<u>38,495</u>	<u>(3,068)</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (3,068)

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

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	51,758	
Depreciation expense	<u>(975)</u>	
Excess of capital outlay over depreciation expense		<u>50,783</u>
Change in net assets of governmental activities (Statement of Activities)	\$	<u><u>47,715</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	79,730	79,730
TOTAL REVENUES	-	-	79,730	79,730
EXPENDITURES:				
Instruction	-	-	14,664	(14,664)
Support services	-	-	38,454	(38,454)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	53,118	(53,118)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	26,612	26,612
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	26,612	26,612
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 26,612	
Adjustments to revenues			-	
Adjustments to expenditures			(68,175)	
NET CHANGE IN FUND BALANCE *			\$ (41,563)	

* Refer to Volume I, Note 20 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS PLANNING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	528,100	528,100	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	528,100	528,100	-
EXPENDITURES:				
Instruction	-	83,000	55,505	27,495
Support services	-	445,100	434,100	11,000
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	528,100	489,605	38,495
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	38,495	38,495
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	38,495	38,495
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 38,495	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 38,495	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>14,112</u>	<u>14,112</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	-
2009-2010 revenues	607,830
Payables and other	68,175
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	676,005
LESS:	
2009-2010 expenditures	610,898
Receivables and other	50,995
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>14,112</u></u>

NORTH VALLEY ACADEMY

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statement of Net Assets

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 230,689
Due from other governments	328,984
Prepaid expenses	16,006
Other assets	<u>8,220</u>
TOTAL CURRENT ASSETS	583,899
NON-CURRENT ASSETS:	
Capital assets	91,474
Less accumulated depreciation	<u>(61,735)</u>
TOTAL NON-CURRENT ASSETS	<u>29,739</u>
TOTAL ASSETS	\$ <u>613,638</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 184,561
Accrued payroll	346,924
Due to other funds	-
Compensated absences - due within one year	4,032
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	535,517
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	535,517
NET ASSETS:	
Invested in capital assets	29,739
Restricted	(4,111)
Unrestricted	<u>52,493</u>
TOTAL NET ASSETS	<u>78,121</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>613,638</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,904,835	-	722,578	-	(1,182,257)
Support services:					
Students	404,494		-	-	(404,494)
Instruction	-	-	-	-	-
General administration	17,755	-	-	-	(17,755)
School administration	218,054	-	-	-	(218,054)
Central Services	57,796	-	-	-	(57,796)
Operation and maintenance of plant	791,263		311,625	-	(479,638)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	137,510	51,450	-	-	(86,060)
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>3,531,707</u>	<u>51,450</u>	<u>1,034,203</u>	<u>-</u>	(2,446,054)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					2,707,666
Miscellaneous					27,753
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>2,735,419</u>
CHANGE IN NET ASSETS					289,365
NET ASSETS, BEGINNING OF YEAR					<u>(211,244)</u>
NET ASSETS, END OF YEAR					\$ <u>78,121</u>

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - Food Services</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - Charter Schools</u>	<u>CS - Training and Recruiting</u>
ASSETS:							
CURRENT ASSETS:							
Cash and cash equivalents	\$ 7,752	62,210	48,224	-	-	37,152	-
Due from other governments	1,861	-	11,777	66,571	41,369	32,602	8,112
Due from other funds	428,036	-	-	-	-	-	-
Prepaid expenses	7,899	-	-	8,107	-	-	-
Other assets	<u>8,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	\$ <u>453,768</u>	<u>62,210</u>	<u>60,001</u>	<u>74,678</u>	<u>41,369</u>	<u>69,754</u>	<u>8,112</u>
LIABILITIES AND FUND BALANCES:							
CURRENT LIABILITIES:							
Accounts payable	97,723	-	15,060	746	17	40,692	-
Accrued payroll	275,294	-	-	16,296	11,187	21,459	864
Due to other funds	-	527	45,369	67,250	37,201	41,213	43,391
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	373,017	527	60,429	84,292	48,405	103,364	44,255
FUND BALANCES:							
Reserved	-	61,683	(428)	(9,614)	(7,036)	(33,610)	(36,143)
Unreserved	<u>80,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>80,751</u>	<u>61,683</u>	<u>(428)</u>	<u>(9,614)</u>	<u>(7,036)</u>	<u>(33,610)</u>	<u>(36,143)</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>453,768</u>	<u>62,210</u>	<u>60,001</u>	<u>74,678</u>	<u>41,369</u>	<u>69,754</u>	<u>8,112</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Balance Sheet - Governmental Funds

CS - Safe & Drug Free School & Community	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - Microsoft Settlement	CS - Technology for Education PED	CS - Incentives for School Improvements Act PED	CS - Pre-K Initiative
-	-	14,089	-	1,000	-	19,098	-
-	53,843	46,968	-	-	-	-	65,881
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	<u>53,843</u>	<u>61,057</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>19,098</u>	<u>65,881</u>
-	-	30,323	-	-	-	-	-
-	6,948	-	-	-	-	-	14,676
-	49,424	36,162	-	-	2,869	-	103,621
-	-	-	-	-	-	-	-
-	56,372	66,485	-	-	2,869	-	118,297
-	(2,529)	(5,428)	-	1,000	(2,869)	19,098	(52,416)
-	-	-	-	-	-	-	-
-	<u>(2,529)</u>	<u>(5,428)</u>	<u>-</u>	<u>1,000</u>	<u>(2,869)</u>	<u>19,098</u>	<u>(52,416)</u>
-	<u>53,843</u>	<u>61,057</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>19,098</u>	<u>65,881</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	<u>CS - Beginning Teacher Mentoring</u>	<u>CS - Pre-K Planning Grant</u>	<u>CS - 2008 Library Book Fund</u>	<u>CS - Private Grants</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
ASSETS:						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 29,423	8,975	1,310	1,456	-	230,689
Due from other governments	-	-	-	-	-	328,984
Due from other funds	-	-	-	-	-	428,036
Prepaid expenses	-	-	-	-	-	16,006
Other assets	-	-	-	-	-	<u>8,220</u>
TOTAL ASSETS	\$ <u>29,423</u>	<u>8,975</u>	<u>1,310</u>	<u>1,456</u>	<u>-</u>	<u>1,011,935</u>
LIABILITIES AND FUND BALANCE						
CURRENT LIABILITIES:						
Accounts payable	-	-	-	-	-	184,561
Accrued payroll	200	-	-	-	-	346,924
Due to other funds	850	-	-	159	-	428,036
Deferred revenue	-	-	-	-	-	<u>-</u>
TOTAL LIABILITIES	1,050	-	-	159	-	959,521
FUND BALANCES:						
Reserved	28,373	8,975	1,310	1,297	-	(28,337)
Unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,751</u>
TOTAL FUND BALANCES (DEFICIT)	<u>28,373</u>	<u>8,975</u>	<u>1,310</u>	<u>1,297</u>	<u>-</u>	<u>52,414</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>29,423</u>	<u>8,975</u>	<u>1,310</u>	<u>1,456</u>	<u>-</u>	<u>1,011,935</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 52,414
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	91,474
Accumulated depreciation	<u>(61,735)</u>
Total capital assets	29,739

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated absences	<u>(4,032)</u>
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Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>78,121</u></u>
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YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - Food Services	CS - T - I	CS - ID - B	CS - Charter Schools	CS - Training and Recruiting
REVENUES:							
Federal revenue	\$ -	-	116,159	96,521	56,364	157,489	17,132
State revenue	2,707,666	31,043	-	-	-	-	-
Other revenue	7,190	-	51,450	-	-	-	-
TOTAL REVENUES	2,714,856	31,043	167,609	96,521	56,364	157,489	17,132
EXPENDITURES:							
Current:							
Instruction	1,477,834	45,224	-	103,939	61,610	150,651	-
Support services:							
Students	256,886	-	-	190	11,665	37,717	21,112
Instruction	-	-	-	-	-	-	-
General administration	17,755	-	-	-	-	-	-
School administration	218,054	-	-	-	-	-	-
Central Services	57,796	-	-	-	-	-	-
Operation and maintenance of plant	442,707	-	-	-	-	2,731	-
Student transportation	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-
Operation of non-instructional services:							
Food services operations	-	-	137,510	-	-	-	-
Community services operations	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	2,471,032	45,224	137,510	104,129	73,275	191,099	21,112
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	243,824	(14,181)	30,099	(7,608)	(16,911)	(33,610)	(3,980)
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	243,824	(14,181)	30,099	(7,608)	(16,911)	(33,610)	(3,980)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	(163,073)	75,864	(30,527)	(2,006)	9,875	-	(32,163)
FUND BALANCES, END OF YEAR	\$ 80,751	61,683	(428)	(9,614)	(7,036)	(33,610)	(36,143)

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds

CS - Safe & Drug Free School & Community	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - Microsoft Settlement	CS - Technology for Education PED	CS - Incentives for School Improvements Act PED	CS - Pre-K Initiative
1,900	56,434	64,443	-	-	-	-	-
-	-	-	-	-	2,284	19,098	115,062
-	-	-	-	-	-	-	-
1,900	56,434	64,443	-	-	2,284	19,098	115,062
-	35,717	-	-	-	-	-	117,315
1,900	-	69,871	-	-	5,153	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	23,246	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,900	58,963	69,871	-	-	5,153	-	117,315
-	(2,529)	(5,428)	-	-	(2,869)	19,098	(2,253)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(2,529)	(5,428)	-	-	(2,869)	19,098	(2,253)
-	-	-	-	1,000	-	-	(50,163)
-	(2,529)	(5,428)	-	1,000	(2,869)	19,098	(52,416)

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	CS - Beginning Teacher Mentoring	CS - Pre-K Planning Grant	CS - 2008 Library Book Fund	CS - Private Grants	CS - Public School Capital Outlay	Total Primary Government
REVENUES:						
Federal revenue	-	-	-	-	-	566,442
State revenue	-	18,748	-	-	311,625	3,205,526
Other revenue	-	-	-	-	-	58,640
TOTAL REVENUES	-	18,748	-	-	311,625	3,830,608
EXPENDITURES:						
Current:						
Instruction	2,411	-	-	-	-	1,994,701
Support services:						
Students	-	-	-	-	-	404,494
Instruction	-	-	-	-	-	-
General administration	-	-	-	-	-	17,755
School administration	-	-	-	-	-	218,054
Central Services	-	-	-	-	-	57,796
Operation and maintenance of plant	-	-	-	-	311,625	780,309
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Operation of non-instructional services:						
Food services operations	-	-	-	-	-	137,510
Community services operations	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	2,411	-	-	-	311,625	3,610,619
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,411)	18,748	-	-	-	219,989
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other financing sources	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(2,411)	18,748	-	-	-	219,989
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	30,784	(9,773)	1,310	1,297	-	(167,575)
FUND BALANCES, END OF YEAR	\$ 28,373	8,975	1,310	1,297	-	52,414

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 219,989
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenue received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund and as revenue in the accrual basis Statement of Net Assets and Activities.	(9,536)
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:	
Capital outlay	-
Depreciation expense	(12,658)
Excess of capital outlay over depreciation expense	(12,658)
Governmental Funds report compensated absences as expenditures. However, in the Statement of Activities, the cost of those liabilities is accrued. In the current period, this amount was:	91,570
Change in net assets of governmental activities (Statement of Activities)	\$ <u>289,365</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	2,480,059	2,707,666	2,707,666	-
Other revenue	-	-	10,208	10,208
TOTAL REVENUES	<u>2,480,059</u>	<u>2,707,666</u>	<u>2,717,874</u>	<u>10,208</u>
EXPENDITURES:				
Instruction	1,512,327	1,653,934	1,464,536	189,398
Support services	1,005,170	1,091,170	985,727	105,443
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>2,517,497</u>	<u>2,745,104</u>	<u>2,450,263</u>	<u>294,841</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(37,438)	(37,438)	267,611	305,049
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>7,180</u>	<u>7,180</u>	<u>(163,073)</u>	<u>(170,253)</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u>(30,258)</u>	<u>(30,258)</u>	<u>104,538</u>	<u>134,796</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 267,611	
Adjustments to revenues			(3,018)	
Adjustments to expenditures			(20,769)	
NET CHANGE IN FUND BALANCE			<u>\$ 243,824</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	16,288	31,048	31,043	(5)
Other revenue	-	-	-	-
TOTAL REVENUES	16,288	31,048	31,043	(5)
EXPENDITURES:				
Instruction	46,288	61,048	47,314	13,734
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	46,288	61,048	47,314	13,734
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(30,000)	(30,000)	(16,271)	13,729
CASH OR FUND BALANCE, BEGINNING OF YEAR	30,000	30,000	75,864	45,864
CASH OR FUND BALANCE, END OF YEAR \$	-	-	59,593	59,593
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (16,271)	
Adjustments to revenues			-	
Adjustments to expenditures			2,090	
NET CHANGE IN FUND BALANCE			\$ (14,181)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - FOOD SERVICES			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	158,000	158,000	114,599	(43,401)
Other revenue	<u>45,000</u>	<u>45,000</u>	<u>50,919</u>	<u>5,919</u>
TOTAL REVENUES	203,000	203,000	165,518	(37,482)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	<u>203,000</u>	<u>203,000</u>	<u>153,541</u>	<u>49,459</u>
TOTAL EXPENDITURES	<u>203,000</u>	<u>203,000</u>	<u>153,541</u>	<u>49,459</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	11,977	11,977
CASH OR FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>(30,527)</u>	<u>(30,527)</u>
CASH OR FUND BALANCE, END OF YEAR \$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(18,550)</u></u>	<u><u>(18,550)</u></u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 11,977	
Adjustments to revenues			2,091	
Adjustments to expenditures			<u>16,031</u>	
NET CHANGE IN FUND BALANCE			\$ <u><u>30,099</u></u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 130,368	131,368	63,514	(67,854)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>130,368</u>	<u>131,368</u>	<u>63,514</u>	<u>(67,854)</u>
EXPENDITURES:				
Instruction	130,368	131,368	93,752	37,616
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>130,368</u>	<u>131,368</u>	<u>93,752</u>	<u>37,616</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(30,238)	(30,238)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(2,006)	(2,006)
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	<u>(32,244)</u>	<u>(32,244)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (30,238)	
Adjustments to revenues			33,007	
Adjustments to expenditures			<u>(10,377)</u>	
NET CHANGE IN FUND BALANCE			\$ <u>(7,608)</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	76,035	47,643	(28,392)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	76,035	47,643	(28,392)
EXPENDITURES:				
Instruction	-	64,345	62,467	1,878
Support services	-	11,690	11,665	25
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	76,035	74,132	1,903
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(26,489)	(26,489)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	9,875	9,875
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(16,614)	(16,614)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (26,489)	
Adjustments to revenues			8,721	
Adjustments to expenditures			857	
NET CHANGE IN FUND BALANCE			\$ (16,911)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOLS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	124,887	124,887
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	124,887	124,887
EXPENDITURES:				
Instruction	-	-	111,427	(111,427)
Support services	-	-	40,448	(40,448)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	151,875	(151,875)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(26,988)	(26,988)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(26,988)	(26,988)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (26,988)	
Adjustments to revenues			32,602	
Adjustments to expenditures			(39,224)	
NET CHANGE IN FUND BALANCE			\$ (33,610)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TRAINING & RECRUITING			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 21,023	26,468	10,881	(15,587)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>21,023</u>	<u>26,468</u>	<u>10,881</u>	<u>(15,587)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services:	21,023	26,468	17,828	8,640
Operation of non-instructional services:	-	-	-	-
TOTAL EXPENDITURES	<u>21,023</u>	<u>26,468</u>	<u>17,828</u>	<u>8,640</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,947)	(6,947)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(32,163)	(32,163)
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(39,110)</u>	<u>(39,110)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,947)	
Adjustments to revenues			6,251	
Adjustments to expenditures			(3,284)	
NET CHANGE IN FUND BALANCE			\$ <u>(3,980)</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - SAFE & DRUG FREE SCHOOL & COMMUNITY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 1,950	1,950	1,900	(50)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>1,950</u>	<u>1,950</u>	<u>1,900</u>	<u>(50)</u>
EXPENDITURES:				
Instruction	-	-	-	-
Support services	1,950	1,950	1,900	50
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>1,950</u>	<u>1,950</u>	<u>1,900</u>	<u>50</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 56,214	101,308	2,591	(98,717)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	56,214	101,308	2,591	(98,717)
EXPENDITURES:				
Instruction	15,841	15,841	35,717	(19,876)
Support services	40,373	85,467	22,006	63,461
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	56,214	101,308	57,723	43,585
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(55,132)	(55,132)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(55,132)	(55,132)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (55,132)	
Adjustments to revenues			53,843	
Adjustments to expenditures			(1,240)	
NET CHANGE IN FUND BALANCE			\$ (2,529)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	64,443	17,475	(46,968)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	64,443	17,475	(46,968)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	64,443	50,844	13,599
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	64,443	50,844	13,599
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(33,369)	(33,369)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(33,369)	(33,369)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (33,369)	
Adjustments to revenues			46,968	
Adjustments to expenditures			(19,027)	
NET CHANGE IN FUND BALANCE			\$ (5,428)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 172,530	261,984	-	(261,984)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	172,530	261,984	-	(261,984)
EXPENDITURES:				
Instruction	138,243	181,365	-	181,365
Support services	34,287	80,619	-	80,619
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	172,530	261,984	-	261,984
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - MICROSOFT SETTLEMENT

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	1,000	1,000
CASH OR FUND BALANCE, END OF YEAR \$	-	-	1,000	1,000
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TECHNOLOGY FOR EDUCATION PED			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	8,566	2,284	(6,282)
Other revenue	-	-	-	-
TOTAL REVENUES	-	8,566	2,284	(6,282)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	8,566	5,153	3,413
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	8,566	5,153	3,413
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,869)	(2,869)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(2,869)	(2,869)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (2,869)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (2,869)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INCENTIVES FOR SCHOOL IMPROVEMENT ACT PED			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	19,098	19,098
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	19,098	19,098
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	19,098	19,098
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	19,098	19,098
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 19,098	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 19,098	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PRE-K INITIATIVE			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	116,040	116,040	49,181	(66,859)
Other revenue	-	-	-	-
TOTAL REVENUES	116,040	116,040	49,181	(66,859)
EXPENDITURES:				
Instruction	116,040	116,040	115,063	977
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	116,040	116,040	115,063	977
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(65,882)	(65,882)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(50,163)	(50,163)
CASH OR FUND BALANCE, END OF YEAR	-	-	(116,045)	(116,045)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (65,882)	
Adjustments to revenues			65,881	
Adjustments to expenditures			(2,252)	
NET CHANGE IN FUND BALANCE			\$ (2,253)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - BEGINNING TEACHER MENTORING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	2,718	-	(2,718)
Other revenue	-	-	-	-
TOTAL REVENUES	-	2,718	-	(2,718)
EXPENDITURES:				
Instruction	-	2,718	2,433	285
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	2,718	2,433	285
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,433)	(2,433)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	30,784	30,784
CASH OR FUND BALANCE, END OF YEAR \$	-	-	28,351	28,351
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (2,433)	
Adjustments to revenues			-	
Adjustments to expenditures			22	
NET CHANGE IN FUND BALANCE			\$ (2,411)	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PRE - K PLANNING GRANT			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	18,748	18,748
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	18,748	18,748
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	18,748	18,748
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(9,773)	(9,773)
CASH OR FUND BALANCE, END OF YEAR \$	-	-	8,975	8,975
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 18,748	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 18,748	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - 2008 LIBRARY BOOK FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	1,310	-	(1,310)
Other revenue	-	-	-	-
TOTAL REVENUES	-	1,310	-	(1,310)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	1,310	-	1,310
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	1,310	-	1,310
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	1,310	1,310
CASH OR FUND BALANCE, END OF YEAR \$	-	-	1,310	1,310
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PRIVATE GRANTS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	1,297	1,297
CASH OR FUND BALANCE, END OF YEAR \$	-	-	1,297	1,297
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statements of Revenues, Expenditures,
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - PUBLIC SCHOOL CAPITAL OUTLAY				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	311,625	311,625	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	311,625	311,625	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	311,625	311,625	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	311,625	311,625	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>5,269</u>
TOTAL ASSETS	\$ <u><u>5,269</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>5,269</u>
TOTAL LIABILITIES	\$ <u><u>5,269</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
New Mexico Bank & Trust - Checking	\$ 236,355	216,036
New Mexico Bank & Trust - Checking	<u>14,971</u>	<u>14,653</u>
	\$ <u>251,326</u>	<u>230,689</u>
New Mexico Bank & Trust - (Agency)	\$ <u>6,654</u>	<u>5,269</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 119,938
ADD:	
2009-2010 revenues	3,830,608
Payables and other	140,287
Loans from other funds	<u>428,036</u>
TOTAL CASH AVAILABLE	4,518,869
LESS:	
2009-2010 expenditures	3,610,619
Receivables and other	249,525
Loan to other funds	<u>428,036</u>
CASH, June 30, 2010	\$ <u>230,689</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY

Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Total</u>
Assets, July 1, 2009	\$ 3,886
Increase	45,326
Decrease	<u>43,943</u>
Assets, June 30, 2010	\$ <u>5,269</u>
Liabilities, July 1, 2009	\$ 3,886
Increase	45,326
Decrease	<u>43,943</u>
Liabilities, June 30, 2010	\$ <u>5,269</u>

SCHOOL OF DREAMS ACADEMY

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 157,085
Due from other governments	29,257
Prepaid expenses	8,501
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	194,843
NON-CURRENT ASSETS:	
Capital assets	202,984
Less accumulated depreciation	(63,616)
TOTAL NON-CURRENT ASSETS	<u>139,368</u>
TOTAL ASSETS	\$ <u>334,211</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 9,960
Accrued payroll	2,491
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	12,451
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	12,451
NET ASSETS:	
Invested in capital assets	139,368
Restricted	33,710
Unrestricted	<u>148,682</u>
TOTAL NET ASSETS	<u>321,760</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>334,211</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 404,422	-	127,739	-	(276,683)
Support services:					
Students	109,014	-	-	-	(109,014)
Instruction	38,158	-	-	-	(38,158)
General administration	45,215	-	-	-	(45,215)
School administration	198,056	-	-	-	(198,056)
Central Services	61,419	-	-	-	(61,419)
Operation and maintenance of plant	360,460	-	64,837	-	(295,623)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	<u>2,612</u>	-	-	-	<u>(2,612)</u>
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>1,219,356</u>	<u>-</u>	<u>192,576</u>	<u>-</u>	(1,026,780)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					1,091,028
Miscellaneous					518
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					<u>-</u>
TOTAL GENERAL REVENUES AND TRANSFERS					<u>1,091,546</u>
CHANGE IN NET ASSETS					64,766
NET ASSETS, BEGINNING OF YEAR					<u>256,994</u>
NET ASSETS, END OF YEAR					\$ <u>321,760</u>

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>	<u>CS - Charter Schools</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 138,922	14,435	-	-	-
Due from other governments	-	-	2,639	332	-
Due from other funds	24,245	-	-	-	-
Prepaid expenses	-	-	-	-	8,501
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>163,167</u>	<u>14,435</u>	<u>2,639</u>	<u>332</u>	<u>8,501</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 9,960	-	-	-	-
Accrued payroll	2,491	-	-	-	-
Due to other funds	-	-	2,639	592	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	12,451	-	2,639	592	-
FUND BALANCES:					
Reserved	-	14,435	-	-	8,501
Unreserved	<u>150,716</u>	<u>-</u>	<u>-</u>	<u>(260)</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>150,716</u>	<u>14,435</u>	<u>-</u>	<u>(260)</u>	<u>8,501</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>163,167</u>	<u>14,435</u>	<u>2,639</u>	<u>332</u>	<u>8,501</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Balance Sheet - Governmental Funds

<u>CS - T - II</u>	<u>CS - Safe & Drug Free T - IV</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Charter State Stimulus Fund</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
-	-	-	-	-	3,728	-	157,085
-	-	-	6,215	20,071	-	-	29,257
-	-	-	-	-	-	-	24,245
-	-	-	-	-	-	-	8,501
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,215</u>	<u>20,071</u>	<u>3,728</u>	<u>-</u>	<u>219,088</u>
-	-	-	-	-	-	-	9,960
-	-	-	-	-	-	-	2,491
-	-	1,774	6,215	13,025	-	-	24,245
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	1,774	6,215	13,025	-	-	36,696
-	-	-	-	7,046	3,728	-	33,710
<u>-</u>	<u>-</u>	<u>(1,774)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,682</u>
<u>-</u>	<u>-</u>	<u>(1,774)</u>	<u>-</u>	<u>7,046</u>	<u>3,728</u>	<u>-</u>	<u>182,392</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,215</u>	<u>20,071</u>	<u>3,728</u>	<u>-</u>	<u>219,088</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 182,392
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	202,984
Accumulated depreciation	<u>(63,616)</u>
Total capital assets	<u>139,368</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u>321,760</u>

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - T - I	CS - ID - B	CS - Charter Schools
REVENUES:					
Federal revenue	\$ -	-	14,602	1,748	-
State revenue	1,091,028	30,889	-	-	-
Other revenue	518	-	-	-	-
TOTAL REVENUES	1,091,546	30,889	14,602	1,748	-
EXPENDITURES:					
Current:					
Instruction	169,088	16,454	2,858	-	58,969
Support services:					
Students	107,006	-	-	2,008	-
Instruction	-	-	11,744	-	-
General administration	20,476	-	-	-	24,739
School administration	197,196	-	-	-	-
Central Services	53,200	-	-	-	1,592
Operation and maintenance of plant	211,152	-	-	-	77,125
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	2,612	-	-	-	-
Capital outlay	180,100	-	-	-	-
TOTAL EXPENDITURES	940,830	16,454	14,602	2,008	162,425
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	150,716	14,435	-	(260)	(162,425)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Other financing sources	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	150,716	14,435	-	(260)	(162,425)
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-	170,926
FUND BALANCES, END OF YEAR	\$ 150,716	14,435	-	(260)	8,501

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds

CS - T - II	CS - Safe & Drug Free Title IV	CS - T - I Federal Stimulus	CS - ID - B Federal Stimulus	CS - State Equalization Guarantee	CS - Charter State Stimulus Fund	CS - Public School Capital Outlay	Total Primary Government
2,060	467	2,119	26,414	89,495	-	-	136,905
-	-	-	-	-	-	64,837	1,186,754
-	-	-	-	-	-	-	518
2,060	467	2,119	26,414	89,495	-	64,837	1,324,177
1,200	467	3,893	-	75,103	21,360	-	349,392
-	-	-	-	-	-	-	109,014
-	-	-	26,414	-	-	-	38,158
-	-	-	-	-	-	-	45,215
860	-	-	-	-	-	-	198,056
-	-	-	-	-	-	-	54,792
-	-	-	-	7,346	-	64,837	360,460
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,612
-	-	-	-	-	-	-	180,100
2,060	467	3,893	26,414	82,449	21,360	64,837	1,337,799
-	-	(1,774)	-	7,046	(21,360)	-	(13,622)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(1,774)	-	7,046	(21,360)	-	(13,622)
-	-	-	-	-	25,088	-	196,014
-	-	(1,774)	-	7,046	3,728	-	182,392

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (13,622)

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

In prior year revenue was received after the period of availability recorded as deferred revenue on the modified accrual basis as used by the Governmental Fund. This was recorded as revenue in the current year in the governmental funds and was recorded as revenue in the prior year in the accrual basis Statement of Net Assets and Activities. (40,055)

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	180,100	
Depreciation expense	<u>(61,657)</u>	
Excess of capital outlay over depreciation expense		<u>118,443</u>

Change in net assets of governmental activities (Statement of Activities) \$ 64,766

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	927,923	1,090,443	1,089,941	(502)
Other revenue	-	-	518	518
TOTAL REVENUES	927,923	1,090,443	1,090,459	16
EXPENDITURES:				
Instruction	363,492	355,777	164,088	191,689
Support services	564,431	724,846	584,070	140,776
Operation of non-instructional services	-	9,820	2,612	7,208
TOTAL EXPENDITURES	927,923	1,090,443	750,770	339,673
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	339,689	339,689
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	339,689	339,689
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 339,689	
Adjustments to revenues			1,087	
Adjustments to expenditures			(9,960)	
NET CHANGE IN FUND BALANCE			\$ 330,816	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	15,116	15,116	30,889	15,773
Other revenue	-	-	-	-
TOTAL REVENUES	15,116	15,116	30,889	15,773
EXPENDITURES:				
Instruction	15,116	15,116	16,454	(1,338)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	15,116	15,116	16,454	(1,338)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	14,435	14,435
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	14,435	14,435
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 14,435	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 14,435	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 22,372	16,185	11,963	(4,222)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	22,372	16,185	11,963	(4,222)
EXPENDITURES:				
Instruction	9,000	2,813	2,858	(45)
Support services	13,372	13,372	11,744	1,628
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	22,372	16,185	14,602	1,583
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(2,639)	(2,639)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(2,639)	(2,639)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (2,639)	
Adjustments to revenues			2,639	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	15,535	1,416	(14,119)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	15,535	1,416	(14,119)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	15,535	2,008	13,527
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	15,535	2,008	13,527
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(592)	(592)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(592)	(592)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (592)	
Adjustments to revenues			332	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (260)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - CHARTER SCHOOL				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	-	195,326	195,326
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	195,326	195,326
EXPENDITURES:				
Instruction	-	-	104,456	(104,456)
Support services	-	-	322,019	(322,019)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	426,475	(426,475)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(231,149)	(231,149)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	170,926	170,926
CASH OR FUND BALANCE, END OF YEAR	-	-	(60,223)	(60,223)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (231,149)	
Adjustments to revenues			(195,326)	
Adjustments to expenditures			264,050	
NET CHANGE IN FUND BALANCE			\$ (162,425)	

* Ending fund balance as of June 30, 2010 is \$8,501

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - T - II

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	2,060	2,060
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	2,060	2,060
EXPENDITURES:				
Instruction	-	-	1,200	(1,200)
Support services	-	-	860	(860)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	2,060	(2,060)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - SAFE & DRUG FREE SCHOOL & COMMUNITY				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 467	467	467	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	467	467	467	-
EXPENDITURES:				
Instruction	467	467	467	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	467	467	467	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 5,674	9,386	2,119	(7,267)
State revenue			-	-
Other revenue	-	-	-	-
TOTAL REVENUES	5,674	9,386	2,119	(7,267)
EXPENDITURES:				
Instruction	5,674	9,386	3,893	5,493
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	5,674	9,386	3,893	5,493
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(1,774)	(1,774)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(1,774)	(1,774)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (1,774)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (1,774)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	26,801	20,199	(6,602)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	26,801	20,199	(6,602)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	26,801	26,811	(10)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	26,801	26,811	(10)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,612)	(6,612)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(6,612)	(6,612)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,612)	
Adjustments to revenues			6,215	
Adjustments to expenditures			397	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - STATE EQUALIZATION GUARANTEE

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ 67,315	106,854	69,424	(37,430)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>67,315</u>	<u>106,854</u>	<u>69,424</u>	<u>(37,430)</u>
EXPENDITURES:				
Instruction	67,315	67,315	75,103	(7,788)
Support services	-	39,539	7,346	32,193
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>67,315</u>	<u>106,854</u>	<u>82,449</u>	<u>24,405</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(13,025)	(13,025)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>(13,025)</u>	<u>(13,025)</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (13,025)	
Adjustments to revenues			20,071	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ <u>7,046</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - CHARTER STATE STIMULUS FUND				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	21,360	(21,360)
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	21,360	(21,360)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(21,360)	(21,360)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	25,088	25,088
CASH OR FUND BALANCE, END OF YEAR \$	-	-	3,728	3,728
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (21,360)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (21,360)	

* Ending fund balance as of June 30, 2010 is \$3,728

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -

Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	64,837	64,837	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	64,837	64,837	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	64,837	64,837	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	64,837	64,837	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>181</u>
TOTAL ASSETS	\$ <u><u>181</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>181</u>
TOTAL LIABILITIES	\$ <u><u>181</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>205,053</u>	<u>157,085</u>
Wells Fargo Bank - Checking (Agency)	\$ <u>181</u>	<u>181</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 256,634
ADD:	-
2009-2010 revenues	1,324,177
Payables and other	(297,533)
Loans from other funds	<u>24,245</u>
TOTAL CASH AVAILABLE	1,307,523
LESS:	
2009-2010 expenditures	1,337,799
Receivables and other	(211,606)
Loan to other funds	<u>24,245</u>
CASH, June 30, 2010	\$ <u><u>157,085</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY
Schedule of Changes in Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>CS - SODA</u> <u>Student Council</u>
Assets, July 1, 2009	\$ -
Increase	552
Decrease	<u>371</u>
Assets, June 30, 2010	\$ <u><u>181</u></u>
Liabilities, July 1, 2009	\$ -
Increase	552
Decrease	<u>371</u>
Liabilities, June 30, 2010	\$ <u><u>181</u></u>

SOUTH VALLEY PREPARATORY SCHOOL

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 11,338
Due from other governments	246,342
Prepaid expenses	47,093
Other assets	<u>27,310</u>
TOTAL CURRENT ASSETS	332,083
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>332,083</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 16,150
Accrued payroll	7,267
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	23,417
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	23,417
NET ASSETS:	
Invested in capital assets	-
Restricted	308,865
Unrestricted	<u>(199)</u>
TOTAL NET ASSETS	<u>308,666</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>332,083</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statement of Activities

YEAR ENDED JUNE 30, 2010

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Assets</u>
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 46,058	-	438,693	-	392,635
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	6,229	-	-	-	(6,229)
School administration	44,913	-	-	-	(44,913)
Central Services	27,257	-	-	-	(27,257)
Operation and maintenance of plant	5,570	-	-	-	(5,570)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ <u>130,027</u>	<u>-</u>	<u>438,693</u>	<u>-</u>	308,666
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					-
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					<u>-</u>
CHANGE IN NET ASSETS					308,666
NET ASSETS, BEGINNING OF YEAR					<u>-</u>
NET ASSETS, END OF YEAR					\$ <u>308,666</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Charter School (Federal)</u>	<u>CS - Charter School (State)</u>	<u>Total Primary Government</u>
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ -	7,931	3,407	11,338
Due from other governments	-	246,342	-	246,342
Due from other funds	-	199	-	199
Prepaid expenses	-	47,093	-	47,093
Other Assets	-	<u>27,310</u>	-	<u>27,310</u>
TOTAL ASSETS	\$ -	<u>328,875</u>	<u>3,407</u>	<u>332,282</u>
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	16,150	-	16,150
Accrued payroll	-	7,267	-	7,267
Due to other funds	199	-	-	199
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	199	23,417	-	23,616
FUND BALANCES:				
Reserved	-	305,458	3,407	308,865
Unreserved	<u>(199)</u>	<u>-</u>	<u>-</u>	<u>(199)</u>
TOTAL FUND BALANCES (DEFICIT)	<u>(199)</u>	<u>305,458</u>	<u>3,407</u>	<u>308,666</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ -	<u>328,875</u>	<u>3,407</u>	<u>332,282</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>308,666</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>308,666</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Charter School (Federal)	CS - Charter School (State)	Total Primary Government
REVENUES:				
Federal revenue	\$ -	435,286	-	435,286
State revenue	-	-	3,407	3,407
Other revenue	-	-	-	-
TOTAL REVENUES	-	435,286	3,407	438,693
EXPENDITURES:				
Current:				
Instruction	-	46,058	-	46,058
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	6,229	-	6,229
School administration	-	44,913	-	44,913
Central Services	199	27,058	-	27,257
Operation and maintenance of plant	-	5,570	-	5,570
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	199	129,828	-	130,027
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(199)	305,458	3,407	308,666
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	(199)	305,458	3,407	308,666
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-	-
FUND BALANCES(DEFICIT), END OF YEAR	\$ (199)	305,458	3,407	308,666

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>308,666</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u><u>308,666</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	199	(199)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	199	(199)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(199)	(199)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(199)	(199)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (199)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (199)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (FEDERAL)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	580,800	186,759	(394,041)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	580,800	186,759	(394,041)
EXPENDITURES:				
Instruction	-	279,302	33,687	245,615
Support services	-	301,498	79,991	221,507
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	580,800	113,678	467,122
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	73,081	73,081
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	73,081	73,081
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 73,081	
Adjustments to revenues			248,527	
Adjustments to expenditures			(16,150)	
NET CHANGE IN FUND BALANCE			\$ 305,458	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (STATE)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	3,407	-	3,407
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,407	3,407
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	-	-	3,407	3,407
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 3,407	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>22,144</u>	<u>11,338</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	-
2009-2010 revenues	438,693
Payables and other	23,616
Loans from other funds	-
TOTAL CASH AVAILABLE	<u>462,309</u>
LESS:	
2009-2010 expenditures	130,027
Receivables and other	320,944
Loan to other funds	-
CASH, June 30, 2010	\$ <u><u>11,338</u></u>

TAOS ACADEMY

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statement of Net Assets

AS OF JUNE 30, 2010

ASSETS:	<u>Governmental Activities</u>
CURRENT ASSETS:	
Cash and cash equivalents	\$ 137,942
Due from other governments	29,169
Prepaid expenses	67,200
Other assets	<u>4,000</u>
TOTAL CURRENT ASSETS	238,311
NON-CURRENT ASSETS:	
Capital assets	12,344
Less accumulated depreciation	(3,069)
TOTAL NON-CURRENT ASSETS	<u>9,275</u>
TOTAL ASSETS	\$ <u>247,586</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 15,147
Accrued payroll	81,963
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	97,110
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	97,110
NET ASSETS:	
Invested in capital assets	9,275
Restricted	25,694
Unrestricted	<u>115,507</u>
TOTAL NET ASSETS	<u>150,476</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>247,586</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 515,796	-	395,358	-	(120,438)
Support services:					
Students	117,573	-	-	-	(117,573)
Instruction	51,375	-	-	-	(51,375)
General administration	34,319	-	-	-	(34,319)
School administration	182,429	-	-	-	(182,429)
Central Services	86,691	-	-	-	(86,691)
Operation and maintenance of plant	146,624	-	63,774	-	(82,850)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
-	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 1,134,807	-	459,132	-	(675,675)
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					829,321
Miscellaneous					3,261
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					832,582
CHANGE IN NET ASSETS					156,907
NET ASSETS, BEGINNING OF YEAR					(6,431)
NET ASSETS, END OF YEAR					\$ 150,476

AS OF JUNE 30, 2010

	<u>CS - Operational</u>	<u>CS - Instructional Materials</u>	<u>CS - ID - B "Risk Pool"</u>	<u>CS - T - I</u>	<u>CS - ID - B</u>
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ 134,113	1,778	-	-	-
Due from other governments	-	-	-	10,805	4,680
Due from other funds	28,348	-	-	-	-
Prepaid expenses	53,215	13,985	-	-	-
Other assets	-	-	-	-	-
TOTAL ASSETS	\$ <u>215,676</u>	<u>15,763</u>	<u>-</u>	<u>10,805</u>	<u>4,680</u>
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ 15,147	-	-	-	-
Accrued payroll	80,673	-	-	568	-
Due to other funds	-	-	-	6,357	4,680
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	95,820	-	-	6,925	4,680
FUND BALANCES:					
Reserved	-	15,763	-	3,880	-
Unreserved	<u>119,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES (DEFICIT)	<u>119,856</u>	<u>15,763</u>	<u>-</u>	<u>3,880</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>215,676</u>	<u>15,763</u>	<u>-</u>	<u>10,805</u>	<u>4,680</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Balance Sheet - Governmental Funds

<u>CS - Public Charter School</u>	<u>CS - Teacher/Principal Training & Recruiting</u>	<u>CS - T - I Federal Stimulus</u>	<u>CS - ID - B Federal Stimulus</u>	<u>CS - State Equalization Guarantee</u>	<u>CS - Dual Credit Instructional Materials</u>	<u>CS - 2008 Student Library Fund</u>
368	-	-	-	-	-	-
-	5,482	-	7,656	-	-	546
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,368</u>	<u>5,482</u>	<u>-</u>	<u>7,656</u>	<u>-</u>	<u>-</u>	<u>546</u>
-	-	-	-	-	-	-
-	-	722	-	-	-	-
-	5,482	3,327	7,656	-	-	546
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	5,482	4,049	7,656	-	-	546
4,368	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(4,049)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,368</u>	<u>-</u>	<u>(4,049)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,368</u>	<u>5,482</u>	<u>-</u>	<u>7,656</u>	<u>-</u>	<u>-</u>	<u>546</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Balance Sheet - Governmental Funds - continued

AS OF JUNE 30, 2010

	CS - Charter Schools (Planning)	CS - Technology for Education PED	CS - Rural Revitalization	CS - Public School Capital Outlay	Total Primary Government
ASSETS:					
CURRENT ASSETS:					
Cash and cash equivalents	\$ -	1,683	-	-	137,942
Due from other governments	-	-	-	-	29,169
Due from other funds	-	-	-	-	28,348
Prepaid expenses	-	-	-	-	67,200
Other assets	-	-	-	-	4,000
TOTAL ASSETS	\$ -	1,683	-	-	266,659
LIABILITIES AND FUND BALANCES:					
CURRENT LIABILITIES:					
Accounts payable	\$ -	-	-	-	15,147
Accrued payroll	-	-	-	-	81,963
Due to other funds	-	-	300	-	28,348
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	300	-	125,458
FUND BALANCES:					
Reserved	-	1,683	-	-	25,694
Unreserved	-	-	(300)	-	115,507
TOTAL FUND BALANCES (DEFICIT)	-	1,683	(300)	-	141,201
TOTAL LIABILITIES AND FUND BALANCES	\$ -	1,683	-	-	266,659

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 141,201
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Capital assets	12,344
Accumulated depreciation	<u>(3,069)</u>
Total capital assets	<u>9,275</u>
Net assets of governmental activities (Statement of Net Assets)	\$ <u>150,476</u>

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Instructional Materials	CS - ID - B "Risk Pool"	CS - T - I	CS - ID - B	CS - Public Charter School
REVENUES:						
Federal revenue	\$ -	-	-	13,307	11,238	200,143
State revenue	829,321	24,174	-	-	-	-
Other revenue	<u>3,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	832,582	24,174	-	13,307	11,238	200,143
EXPENDITURES:						
Current:						
Instruction	412,720	8,411	-	9,427	-	25,178
Support services:						
Students	25,122	-	-	-	11,238	56,236
Instruction	-	-	-	-	-	51,375
General administration	19,058	-	-	-	-	15,261
School administration	175,636	-	-	-	-	6,668
Central Services	30,065	-	-	-	-	17,113
Operation and maintenance of plant	50,199	-	-	-	-	5,695
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Operation of non-instructional services:						
Food services operations	-	-	-	-	-	-
Community services operations	-	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>712,800</u>	<u>8,411</u>	<u>-</u>	<u>9,427</u>	<u>11,238</u>	<u>177,526</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	119,782	15,763	-	3,880	-	22,617
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>119,782</u>	<u>15,763</u>	<u>-</u>	<u>3,880</u>	<u>-</u>	<u>22,617</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>74</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,249)</u>
FUND BALANCES, END OF YEAR	\$ <u>119,856</u>	<u>15,763</u>	<u>-</u>	<u>3,880</u>	<u>-</u>	<u>4,368</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - continued

YEAR ENDED JUNE 30, 2010

	<u>CS - Technology for Education PED</u>	<u>CS - Rural Revitalization</u>	<u>CS - Public School Capital Outlay</u>	<u>Total Primary Government</u>
REVENUES:				
Federal revenue	\$ -	-	-	326,888
State revenue	1,683	4,700	63,774	961,565
Other revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,261</u>
TOTAL REVENUES	1,683	4,700	63,774	1,291,714
EXPENDITURES:				
Current:				
Instruction	-	5,000	-	513,327
Support services:				
Students	-	-	-	117,573
Instruction	-	-	-	51,375
General administration	-	-	-	34,319
School administration	-	-	-	182,429
Central Services	-	-	-	86,691
Operation and maintenance of plant	-	-	63,774	146,624
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>	<u>5,000</u>	<u>63,774</u>	<u>1,132,338</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,683	(300)	-	159,376
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>1,683</u>	<u>(300)</u>	<u>-</u>	<u>159,376</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,175)</u>
FUND BALANCES, END OF YEAR	\$ <u>1,683</u>	<u>(300)</u>	<u>-</u>	<u>141,201</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ 159,376
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	-
Depreciation expense	<u>(2,469)</u>
Excess of capital outlay over depreciation expense	<u>(2,469)</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u>156,907</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	660,482	829,322	829,321	(1)
Other revenue	-	-	3,261	3,261
TOTAL REVENUES	660,482	829,322	832,582	3,260
EXPENDITURES:				
Instruction	335,010	471,542	444,767	26,775
Support services	325,472	357,780	286,314	71,466
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	660,482	829,322	731,081	98,241
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	101,501	101,501
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	74	74
CASH OR FUND BALANCE, END OF YEAR \$	-	-	101,575	101,575
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 101,501	
Adjustments to revenues			-	
Adjustments to expenditures			18,281	
NET CHANGE IN FUND BALANCE			\$ 119,782	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - INSTRUCTIONAL MATERIALS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	15,116	24,178	24,174	(4)
Other revenue	-	-	-	-
TOTAL REVENUES	<u>15,116</u>	<u>24,178</u>	<u>24,174</u>	<u>(4)</u>
EXPENDITURES:				
Instruction	15,116	24,178	22,396	1,782
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>15,116</u>	<u>24,178</u>	<u>22,396</u>	<u>1,782</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,778	1,778
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	<u>-</u>	<u>-</u>	<u>1,778</u>	<u>1,778</u>
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,778	
Adjustments to revenues			-	
Adjustments to expenditures			<u>13,985</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 15,763</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B "RISK POOL"			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	188	-	(188)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	188	-	(188)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	188	-	188
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	188	-	188
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	10,331	2,502	(7,829)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	10,331	2,502	(7,829)
EXPENDITURES:				
Instruction	-	10,331	9,256	1,075
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	10,331	9,256	1,075
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,754)	(6,754)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(6,754)	(6,754)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (6,754)	
Adjustments to revenues			10,805	
Adjustments to expenditures			(171)	
NET CHANGE IN FUND BALANCE			\$ 3,880	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	11,238	6,558	(4,680)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	11,238	6,558	(4,680)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	11,238	11,238	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	11,238	11,238	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(4,680)	(4,680)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(4,680)	(4,680)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (4,680)	
Adjustments to revenues			4,680	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - PUBLIC CHARTER SCHOOL

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	-	-	569,795	569,795
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	569,795	569,795
EXPENDITURES:				
Instruction	-	-	182,351	(182,351)
Support services	-	-	397,215	(397,215)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	579,566	(579,566)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(9,771)	(9,771)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	(18,249)	(18,249)
CASH OR FUND BALANCE, END OF YEAR	-	-	(28,020)	(28,020)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (9,771)	
Adjustments to revenues			(369,652)	
Adjustments to expenditures			402,040	
NET CHANGE IN FUND BALANCE			\$ <u>22,617</u>	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - TEACHER/ PRINCIPAL TRAINING & RECRUITING			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	4,286	5,482	-	(5,482)
Other revenue	-	-	-	-
TOTAL REVENUES	<u>4,286</u>	<u>5,482</u>	-	(5,482)
EXPENDITURES:				
Instruction	4,286	5,482	5,482	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>4,286</u>	<u>5,482</u>	<u>5,482</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,482)	(5,482)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(5,482)	(5,482)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (5,482)	
Adjustments to revenues			5,482	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - T - I FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	6,619	2,527	(4,092)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	6,619	2,527	(4,092)
EXPENDITURES:				
Instruction	-	6,619	6,576	43
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	6,619	6,576	43
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(4,049)	(4,049)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	(4,049)	(4,049)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (4,049)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (4,049)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - ID - B FEDERAL STIMULUS			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	19,431	11,775	(7,656)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	19,431	11,775	(7,656)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	19,431	19,431	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	19,431	19,431	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(7,656)	(7,656)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(7,656)	(7,656)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (7,656)	
Adjustments to revenues			7,656	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - STATE EQUALIZATION GUARANTEE			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ 47,914	80,242	80,242	-
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	47,914	80,242	80,242	-
EXPENDITURES:				
Instruction	-	8,102	8,102	-
Support services	47,914	72,140	72,140	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	47,914	80,242	80,242	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - DUAL CREDIT INSTRUCTIONAL MATERIALS			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	5,000	429	(4,571)
Other revenue	-	-	-	-
TOTAL REVENUES	-	5,000	429	(4,571)
EXPENDITURES:				
Instruction	-	5,000	429	4,571
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	5,000	429	4,571
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - 2008 STUDENT LIBRARY FUND

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,000	-	(3,000)
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,000	-	(3,000)
EXPENDITURES:				
Instruction	-	3,000	546	2,454
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,000	546	2,454
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(546)	(546)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(546)	(546)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (546)	
Adjustments to revenues			546	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - CHARTER SCHOOLS PLANNING

	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	30,000	31,456	31,456	-
Other revenue	-	-	-	-
TOTAL REVENUES	<u>30,000</u>	<u>31,456</u>	<u>31,456</u>	<u>-</u>
EXPENDITURES:				
Instruction	30,000	31,456	31,456	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	<u>30,000</u>	<u>31,456</u>	<u>31,456</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

CS - TECHNOLOGY FOR EDUCATION PED				
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	1,683	1,683
Other revenue	-	-	-	-
TOTAL REVENUES	-	-	1,683	1,683
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,683	1,683
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	1,683	1,683
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 1,683	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,683	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - RURAL REVITALIZATION			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	5,000	4,700	(300)
Other revenue	-	-	-	-
TOTAL REVENUES	-	5,000	4,700	(300)
EXPENDITURES:				
Instruction	-	5,000	5,000	-
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	5,000	5,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(300)	(300)
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	(300)	(300)
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ (300)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE *			\$ (300)	

* Refer to page I-122 for deficit fund balance disclosure

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - PUBLIC SCHOOL CAPITAL OUTLAY			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	63,775	63,774	(1)
Other revenue	-	-	-	-
TOTAL REVENUES	-	63,775	63,774	(1)
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	63,775	63,774	1
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	63,775	63,774	1
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	-	-
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY
Statement of Fiduciary Assets and Liabilities - Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Cash and cash equivalents	\$ <u>654</u>
TOTAL ASSETS	\$ <u><u>654</u></u>
LIABILITIES:	
Deposits held in trust for others	\$ <u>654</u>
TOTAL LIABILITIES	\$ <u><u>654</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
First Community Bank - Checking	\$ <u>198,325</u>	\$ <u>137,942</u>
First Community Bank - Checking (Agency)	\$ <u>654</u>	\$ <u>654</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ 10,213
ADD:	
2009-2010 revenues	1,291,714
Payables and other	(300,930)
Loans from other funds	<u>28,348</u>
TOTAL CASH AVAILABLE	1,029,345
LESS:	
2009-2010 expenditures	1,132,338
Receivables and other	(269,283)
Loan to other funds	<u>28,348</u>
CASH, June 30, 2010	\$ <u><u>137,942</u></u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY

Schedule of Changes in Assets and Liabilities - Activity Funds

AS OF JUNE 30, 2010	Student Activity Fund
Assets, July 1, 2009	\$ -
Increase	2,486
Decrease	1,832
Assets, June 30, 2010	\$ <u>654</u>
Liabilities, July 1, 2009	\$ -
Increase	2,486
Decrease	1,832
Liabilities, June 30, 2010	\$ <u>654</u>

TAOS INTEGRATED SCHOOL OF THE ARTS

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 43,671
Due from other governments	-
Prepaid expenses	28,667
Other assets	<u>6,000</u>
TOTAL CURRENT ASSETS	78,338
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>78,338</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 23,117
Accrued payroll	-
Due to other funds	-
Compensated absences - due within one year	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	23,117
NON-CURRENT LIABILITIES	
Other non-current liabilities - due in more than one year	<u>-</u>
TOTAL LIABILITIES	23,117
NET ASSETS:	
Invested in capital assets	-
Restricted	55,151
Unrestricted	<u>70</u>
TOTAL NET ASSETS	<u>55,221</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>78,338</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 57	-	87,395	-	87,338
Support services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	12,095	-	-	-	(12,095)
School administration	15,186	-	-	-	(15,186)
Central Services	4,776	-	-	-	(4,776)
Operation and maintenance of plant	150	-	-	-	(150)
Student transportation	-	-	-	-	-
Other support services	30	-	-	-	(30)
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 32,294	-	87,395	-	55,101
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					120
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					120
CHANGE IN NET ASSETS					55,221
NET ASSETS, BEGINNING OF YEAR					-
NET ASSETS, END OF YEAR					\$ 55,221

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	CS - Operational	CS - Charter School (Federal)	CS - Charter School (State)	Total Primary Government
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 70	40,194	3,407	43,671
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid expenses	-	28,667	-	28,667
Other assets	-	6,000	-	6,000
TOTAL ASSETS	\$ 70	74,861	3,407	78,338
LIABILITIES AND FUND BALANCES:				
CURRENT LIABILITIES:				
Accounts payable	\$ -	23,117	-	23,117
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
TOTAL LIABILITIES	-	23,117	-	23,117
FUND BALANCES:				
Reserved	-	51,744	3,407	55,151
Unreserved	70	-	-	70
TOTAL FUND BALANCES (DEFICIT)	70	51,744	3,407	55,221
TOTAL LIABILITIES AND FUND BALANCES	\$ 70	74,861	3,407	78,338

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>55,221</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>55,221</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Operational	CS - Charter School (Federal)	CS - Charter School (State)	Total Primary Government
REVENUES:				
Federal revenue	\$ -	83,988	-	83,988
State revenue	-	-	3,407	3,407
Other revenue	<u>120</u>	<u>-</u>	<u>-</u>	<u>120</u>
TOTAL REVENUES	120	83,988	3,407	87,515
EXPENDITURES:				
Current:				
Instruction	-	57	-	57
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	12,095	-	12,095
School administration	-	15,186	-	15,186
Central Services	20	4,756	-	4,776
Operation and maintenance of plant	-	150	-	150
Student transportation	-	-	-	-
Other support services	30	-	-	30
Operation of non-instructional services:				
Food services operations	-	-	-	-
Community services operations	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>50</u>	<u>32,244</u>	<u>-</u>	<u>32,294</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	70	51,744	3,407	55,221
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>70</u>	<u>51,744</u>	<u>3,407</u>	<u>55,221</u>
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), END OF YEAR	\$ <u>70</u>	<u>51,744</u>	<u>3,407</u>	<u>55,221</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$	<u>55,221</u>
Change in net assets of governmental activities (Statement of Activities)	\$	<u>55,221</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - OPERATIONAL			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	-	-	-
Other revenue	-	-	120	120
TOTAL REVENUES	-	-	120	120
EXPENDITURES:				
Instruction	-	-	-	-
Support services	-	-	50	(50)
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	-	50	(50)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	70	70
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	70	70
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 70	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 70	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (FEDERAL)			
	Budgeted Amount		Actual Amount	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Federal revenue	\$ -	432,000	83,988	(348,012)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	432,000	83,988	(348,012)
EXPENDITURES:				
Instruction	-	176,035	57	175,978
Support services	-	255,965	9,070	246,895
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	432,000	9,127	422,873
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	74,861	74,861
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	74,861	74,861
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 74,861	
Adjustments to revenues			-	
Adjustments to expenditures			(23,117)	
NET CHANGE IN FUND BALANCE			\$ 51,744	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (STATE)			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	3,407	-	3,407
Support services	-	-	-	-
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	-	3,407
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,407	3,407
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR \$	-	-	3,407	3,407
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 3,407	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,407	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>43,671</u>	<u>43,671</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	
2009-2010 revenues	87,515
Payables and other	23,117
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	110,632
LESS:	
2009-2010 expenditures	32,294
Receivables and other	34,667
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>43,671</u></u>

TIERRA ADENTRO

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 60,123
Due from other governments	-
Prepaid expenses	9,692
Other assets	<u>-</u>
TOTAL CURRENT ASSETS	69,815
NON-CURRENT ASSETS:	
Capital assets	-
Less accumulated depreciation	<u>-</u>
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	\$ <u>69,815</u>
LIABILITIES AND NET ASSETS:	
CURRENT LIABILITIES:	
Accounts payable	\$ 14,214
Accrued payroll	-
Due to other funds	-
Compensated absences	-
Other current liabilities - due within one year	<u>-</u>
TOTAL CURRENT LIABILITIES	14,214
NON-CURRENT LIABILITIES	
Non-current portion of other - due in more than one year	<u>-</u>
TOTAL LIABILITIES	14,214
NET ASSETS:	
Invested in capital assets	-
Restricted	-
Unrestricted	<u>55,601</u>
TOTAL NET ASSETS	<u>55,601</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>69,815</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Statement of Activities

YEAR ENDED JUNE 30, 2010

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
GOVERNMENTAL ACTIVITIES:					
Instruction	\$ 1,825	-	199,083	-	197,258
Support services:					
Students	8,557	-	-	-	(8,557)
Instruction	41,823	-	-	-	(41,823)
General administration	10,172	-	-	-	(10,172)
School administration	55,484	-	-	-	(55,484)
Central Services	25,436	-	-	-	(25,436)
Operation and maintenance of plant	185	-	-	-	(185)
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Operation of non-instructional services:					
Food services operations	-	-	-	-	-
Community services operations	-	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 143,482	-	199,083	-	55,601
GENERAL REVENUES AND TRANSFERS:					
State equalization guarantee					-
Miscellaneous					-
Gain (Loss) on disposal of capital assets					-
Transfers in					-
Transfers out					-
TOTAL GENERAL REVENUES AND TRANSFERS					-
CHANGE IN NET ASSETS					55,601
NET ASSETS, BEGINNING OF YEAR					-
NET ASSETS, END OF YEAR				\$	55,601

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	<u>CS - Charter School (Federal)</u>	<u>CS - Charter School (State)</u>	<u>Total Primary Government</u>
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 59,967	156	60,123
Due from other governments	-	-	-
Due from other funds	-	-	-
Prepaid expenses	9,692	-	9,692
Other assets	-	-	-
TOTAL ASSETS	\$ <u>69,659</u>	<u>156</u>	<u>69,815</u>
LIABILITIES AND FUND BALANCES:			
CURRENT LIABILITIES:			
Accounts payable	\$ 14,214	-	14,214
Accrued payroll	-	-	-
Due to other funds	-	-	-
Deferred revenue	-	-	-
TOTAL LIABILITIES	14,214	-	14,214
FUND BALANCES:			
Reserved	-	-	-
Unreserved	<u>55,445</u>	<u>156</u>	<u>55,601</u>
TOTAL FUND BALANCES (DEFICIT)	<u>55,445</u>	<u>156</u>	<u>55,601</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>69,659</u>	<u>156</u>	<u>69,815</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	<u>55,601</u>
Net assets of governmental activities (Statement of Net Assets)	\$	<u>55,601</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	CS - Charter School (Federal)	CS - Charter School (State)	Total Primary Government
REVENUES:			
Federal revenue	\$ 195,676	-	195,676
State revenue	-	3,407	3,407
Other revenue	-	-	-
TOTAL REVENUES	195,676	3,407	199,083
EXPENDITURES:			
Current:			
Instruction	150	1,675	1,825
Support services:			
Students	8,298	259	8,557
Instruction	41,823	-	41,823
General administration	10,172	-	10,172
School administration	54,167	1,317	55,484
Central Services	25,436	-	25,436
Operation and maintenance of plant	185	-	185
Student transportation	-	-	-
Other support services	-	-	-
Operation of non-instructional services:			
Food services operations	-	-	-
Community services operations	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	140,231	3,251	143,482
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	55,445	156	55,601
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Other financing sources	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCE	55,445	156	55,601
FUND BALANCES (DEFICIT), BEGINNING OF YEAR	-	-	-
FUND BALANCES (DEFICIT), END OF YEAR	\$ 55,445	156	55,601

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$ <u>55,601</u>
Change in net assets of governmental activities (Statement of Activities)	\$ <u>55,601</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (FEDERAL)			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	432,000	195,676	(236,324)
State revenue	-	-	-	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	432,000	195,676	(236,324)
EXPENDITURES:				
Instruction	-	99,430	150	99,280
Support services	-	332,570	125,867	206,703
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	432,000	126,017	305,983
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	69,659	69,659
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	69,659	69,659
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 69,659	
Adjustments to revenues			-	
Adjustments to expenditures			(14,214)	
NET CHANGE IN FUND BALANCE			\$ 55,445	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Statements of Revenues, Expenditures
and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - continued

YEAR ENDED JUNE 30, 2010

	CS - CHARTER SCHOOL (STATE)			Variance Positive (Negative)
	Budgeted Amount		Actual Amount	
	Original	Final		
REVENUES:				
Federal revenue	\$ -	-	-	-
State revenue	-	3,407	3,407	-
Other revenue	-	-	-	-
TOTAL REVENUES	-	3,407	3,407	-
EXPENDITURES:				
Instruction	-	1,675	1,675	-
Support services	-	1,732	1,576	156
Operation of non-instructional services	-	-	-	-
TOTAL EXPENDITURES	-	3,407	3,251	156
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	156	156
CASH OR FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
CASH OR FUND BALANCE, END OF YEAR	\$ -	-	156	156
RECONCILIATION TO GAAP BASIS:				
Excess revenues over (under) expenditures			\$ 156	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 156	

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Schedule of Cash and Temporary Investment Accounts

AS OF JUNE 30, 2010

<u>Bank Account Type</u>	<u>Bank Balance</u>	<u>Book Balance</u>
Wells Fargo Bank - Checking	\$ <u>65,952</u>	<u>60,123</u>

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO

Cash Reconciliation

AS OF JUNE 30, 2010

	<u>Total</u>
CASH, June 30, 2009	\$ -
ADD:	
2009-2010 revenues	199,083
Payables and other	14,214
Loans from other funds	<u>-</u>
TOTAL CASH AVAILABLE	213,297
LESS:	
2009-2010 expenditures	143,482
Receivables and other	9,692
Loan to other funds	<u>-</u>
CASH, June 30, 2010	\$ <u><u>60,123</u></u>